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JUN 25 2010

DIVISION OF
LICENSING & REGULATORY SERVICES

REMEDY

Compassion Center

State of Maine

**Department of Health and Human Services
Medical Marijuana Program**

DISPENSARY APPLICATION

June 25, 2010

June 24, 2010
Maine Department of
Health and Human Services
41 Anthony Avenue
Augusta, Maine 04333

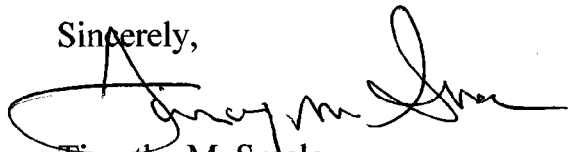
Dear Application Review Panel,

REMEDY Compassion Center is pleased to submit an application for the operation of a medical cannabis dispensary in District Three. A signed original and five copies of the completed application are enclosed, and a check for the \$15,000 application fee is enclosed.

I testify that all of the information contained within this document is valid and accurate. The Department of Health and Human Services can trust that we will accomplish the plans contained in this application.

We appreciate the opportunity to submit this application to the Department of Health and Human Services, and look forward to serving patients in Maine.

Sincerely,



Timothy M. Smale
Executive Director, REMEDY Compassion Center
President & CEO, Remedy Compassion Center, Inc.

REMEDY

Compassion Center

APPLICATION

Attn: Medical Marijuana Program
DHHS Division of Licensing and Regulatory Services
11 State House Station
Augusta, ME 04333

		Medical Marijuana Program Application/Renewal Form					
This application is for:		Registered Dispensary					
Section 1 IDENTIFICATION INFORMATION							
Legal Name of Dispensary: REMEDY Compassion Center, Inc.				Charter Number 2101721600020 ARTI			
				Date of Incorporation 6/21/10			
Business Location							
932 US Route 2 East							
Wilton, Maine 04294				Telephone: (207) 293-4951 -			
Mailing Address							
23 Herrin Woods Road							
Vienna, ME 04360							
Section 2 ORGANIZATIONAL INFORMATION							
Name of Chief Executive Officer Timothy Smaile				Telephone number if different than above			
Mailing Address, if different than above							
Schedule A, Board of Directors and Officers							
Schedule B, Employees							
Schedule C, Bylaws of the Non-Profit Corporation							
Schedule D, Location of Grow Site, if different than Location of Dispensary							
Schedule E, Policies and Procedures							
Schedule E-1: Personnel							
Schedule E-2: Growing and Cultivataion							
Schedule E-3: Inventory Control							
Schedule E-4: Food Preparation							
Schedule E-5: Quality Control							
Schedule E-6: Copies of Educational Materials							
Schedule E-7: Critical Incident Reporting							
Section 3 DISPENSARY INFORMATION							
Distance to the property line of preexisting public or private school: (must be more than 500 feet): 1.3 miles to Calvalry Hill Christian School in Farmington. See map and aerial view on Exhibit E.							
Description of food products to be sold or furnished, if any: Medical cannabis will be prepared in the following food products:							
1. Cannabis-infused glycerin and alcohol tinctures							
3. Cannabis capsules							
4. Cannabis-infused butter and cannabis-infused oil							
5. Foods prepared with cannabis-infused butter and cannabis-infused oil: brownies, caramels, and cookies							
Description of grounds and exterior lighting: The stand-alone building is set back from the road with large vacant parking lots in the front and back and the driveway on one side of the building and an open field on the other. The driveway will be illuminated with motion-detecting lights from the security gate at the road to the building. The back side of the building will be continuously lit, and the three other sides will be brightly illuminated with motion detecting lights, so as not to call attention to the building from the road at night. There are no residences in the vicinity that will be disturbed by the light.							

Attn: Medical Marijuana Program
 DHHS Division of Licensing and Regulatory Services
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Description of intrusion monitoring system: According to ADT, a CCTV system with 14 impact resistant color dome video cameras, 5 door contacts, 20 glass break detectors, 2 exterior bells, 2 interior alarms, and 8 motion detectors will be more than enough to detect an unauthorized intrusion. During business hours there will also be a security guard posted at the only entrance to the dispensary and cultivation facilities.

Description of interior monitoring and safety features: 14 video cameras will capture all activity throughout the dispensary and cultivation facility with 14" video monitors located in the Security Office and Executive Directors office for fulltime viewing. Limited access doorways will be equipped with Biometric locks to monitor and record the flow of personnel.

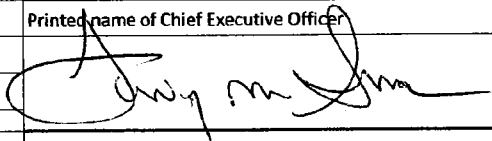
Location of growing site: 932 US Route 2 East, Wilton ME 04294

Provide the names of patients you have identified at this time who plan to designate you as their dispensary: (use additional pages, if necessary) The patients and caregivers who have expressed interest in designating REMEDY Compassion Center have requested not to have their status as medical cannabis patients available for public record until such time they are able to make their designation official in the appropriate manner with the State of Maine Dept. of Health and Human Services. We respectfully wish to honor their request.

Declaration: I understand and acknowledge my duties and responsibilities as chief executive officer to patients and primary caregivers in accordance with the provisions of the Maine Medical Use of Marijuana Act. I understand that my board members, officers and employees may not have disqualifying drug offenses. I will notify the Department of Health and Human Services promptly and return the registration cards when there has been a change in status of a registry card holder. I declare under penalty of perjury that the information provided on this form is true and correct. I certify that I will not sell, furnish or give marijuana to a person who is not allowed to possess marijuana for medical purposes. I agree to allow my facility to be inspected by representatives of the Maine Department of Health and Human Services. I agree to provide soil and product samples to representatives of the Maine Department of Health and Human Services for testing pursuant to the rules governing Maine's Medical Use of Marijuana Program. I further agree I will report sales for sales tax purposes related to the sale of marijuana and related products by the dispensary.

Timothy M. Smale

Printed name of Chief Executive Officer



Date

24-Jun-10

Signature of Chief Executive Officer

This application shall be accompanied by a non-refundable check made payable to the Treasurer, State of Maine. This application will not be accepted as complete unless all Exhibits are attached. Please mail to:

Attn: Medical Use of Marijuana Program
 Department of Health and Human Services
 Division of Licensing and Regulatory Services
 11 State House Station
 Augusta, ME 04333

To check on the status of your application, call (207) 287-9300

Name and Home Address	Title	Driver License #	Date of Birth
Timothy M. Smale 23 Herrin Woods Rd. Vienna, ME 04360	President & CEO; Executive Director REMEDY COMPASSION CENTER	[REDACTED]	[REDACTED]
Jennifer R. Smale 23 Herrin Woods Rd. Vienna, ME 04360	Vice-President & Secretary Patient Services Director REMEDY COMPASSION CENTER	[REDACTED]	[REDACTED]
Peter A. Phelps 20 Walters Way Newry Maine 04261	President & CEO; Executive Director REMEDY COMPASSION CENTER	[REDACTED]	[REDACTED]

Application Form Financials

	Start Up Year 7/1/10 - 6/30/11	First Full Fiscal Year 7/1/11 to 6/30/2012	Second Full Fiscal Year 7/1/12 to 6/30/2013
Revenue			
Marijuana sales (in any form)	\$ 388,714	\$ 1,691,012	\$ 2,111,514
Paraphernalia sales	\$ 6,021	\$ 52,273	\$ 89,847
Other sales	\$ 2,407	\$ 20,636	\$ 32,318
Other income (loans)	\$ 365,000	\$ -	\$ -
Total Revenue	\$ 762,142	\$ 1,763,921	\$ 2,233,679

Expenses			
Payroll, taxes, and fringe benefits	\$ 320,250	\$ 654,196	\$ 717,919
Cultivation	\$ 104,468	\$ 352,194	\$ 445,932
Supplies	\$ 4,588	\$ 1,082	\$ 1,114
Office Expenses	\$ 17,048	\$ 23,782	\$ 24,495
Utilities	\$ 2,055	\$ 5,350	\$ 5,510
Insurance	\$ 2,650	\$ 1,236	\$ 2,400
Interest	\$ -	\$ 97,506	\$ 91,317
Depreciation/Amortization	\$ 2,195	\$ 3,445	\$ 4,550
Leasehold Expenses	\$ 17,880	\$ 17,880	\$ 17,880
Rent	\$ 65,000	\$ 65,000	\$ 65,000
Bad Debt	\$ 1,524	\$ 4,410	\$ 6,701
CARES Program, Charitable Giving	\$ 49,580	\$ 236,118	\$ 381,677
Sales, General, Admin., Marketing	\$ 141,725	\$ 173,663	\$ 196,830
Total Expenses	\$ 728,963	\$ 1,635,861	\$ 1,961,326
Net	\$ 33,179	\$ 128,060	\$ 272,353

Personnel Categories	#FTE's	#FTE's	#FTE's
Administration	6	6	6
Sales	7	8	9
Cultivation	6	7	7
TOTAL	19	21	22
Number of Patients	375	546	655
Estimated Price/Ounce	400	360	324



REMEDY

Compassion Center

SCHEDULES

➤ **Schedule A**

Board of Directors and Officers:

- **Timothy M. Smale**
President/ CEO, Board of Directors, Remedy Compassion Center, Inc.
- **Jennifer R. Smale**
Vice President/ Secretary, of Board of Directors, Remedy Compassion Center, Inc.
- **Peter A. Phelps**
Treasurer, Board of Directors, Remedy Compassion Center, Inc.

➤ **Schedule B**

Employees:

- **Timothy M. Smale**
Executive Director
- **Jennifer R. Smale**
Member Services Director

Schedule C

BY LAWS OF REMEDY COMPASSION CENTER, INC., A MAINE NON-PROFIT CORPORATION

ARTICLE I

NAME

The name of the institution shall be REMEDY COMPASION CENTER, INC., a Maine nonprofit corporation, hereinafter referred to as the "Corporation".

ARTICLE II

MISSION

Section 1.

Remedy Compassion Center, Inc., cultivates and dispenses medical cannabis to licensed patients pursuant to Maine Public Law, Chapter 631, LD1811 and 10-144 CMR Chapter 122. Maine DHHS, May 5, 2010 et seq. through means of cultivating and distributing cannabis to licensed patients within the guidelines of the law et seq. and provides educational services, information and support services to said patients, caregivers and supporters of medical cannabis to those patients, or their caregivers, suffering from debilitating medical conditions where medical cannabis use would be a beneficial alternative to traditional therapies.

Section 2.

To implement the above mission, the Corporation shall have the power to purchase, lease and otherwise acquire, maintain, control, operate, sell and otherwise alienate or dispose of any real or personal property for any use in connection with or in furtherance of the above-stated purpose(s) and to borrow money and from time to time make, accept, endorse and issue bonds, promissory notes, bills of exchange and other obligations for monies borrowed, and to secure the payment of any such obligation by mortgage, pledge, deed, indenture agreement or other instrument of trust or by other lien upon assignment of, or agreement in regard to, all or any part of the property rights or privileges of the Corporation wherever situated, and any other power consistent herewith or for any other lawful purpose.

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ARTICLE III

MEMBERS

Section 1.

Remedy Compassion Center, Inc., shall operate under Title 13-B: MAINE NONPROFIT CORPORATION ACT §1406.2 et. seq., as a Maine Nonprofit mutual benefit corporation having no members.

ARTICLE IV

BOARD OF DIRECTORS.

Section 1.

Number of Directors. The Board of Directors shall initially consist of three (3) Directors. However, that number may change, but at no time shall consist of no more than five (5) nor less than three (3) Directors, as fixed from time to time by the Board of Directors.

Section 2.

Election and Term of Directors. Except in the case of Directors serving ex officio or elected to fill a vacancy, each Director shall be elected at the Annual Directors' Meeting or a Special Meeting held in lieu therefore for a term of two (2) years, or until his or her successor is elected and qualified. Vacancies in existing terms may be filled by a majority vote of the Directors at any Directors Meeting. A Director may be removed from office with or without cause by a majority vote of the Directors at any meeting.

Section 3.

Duties of the Board of Directors. The duties of the Board of Directors shall be to oversee the work and finances of the Corporation; to ensure that the work and the finances of the Corporation are conducted in accordance with the Articles of Incorporation of the Corporation and with these By-Laws; to appoint the Officers of the Corporation; to examine and approve the Treasurer's accounts; and to generally guide and direct the work of the Corporation in the fields of operating as a Compassion Center as presently defined under Maine's "Title 13-B: MAINE NONPROFIT CORPORATION ACT §1406.2 et. seq.

Section 4.

Powers of Directors. The Board of Directors shall have and exercise all the powers, rights, privileges and be subject to all the duties conferred or imposed upon the Incorporators and their associates and successors or upon the Corporation, by law, the Articles of Incorporation as may be amended from time to time, or by these By-Laws.

ARTICLE V MEETINGS OF DIRECTORS.

Section 1.

Annual Meeting. The Annual Meeting of the Board of Directors shall be held on the 1st Day of July at 12 Noon, at REMEDY Compassion Center, Inc. office, or at some other hour and place as shall be designated by the President and state in the notice of the Meeting. In the event of failure to hold said Annual Meeting at any time or for any cause, and all business which might have been transacted at such Annual Meeting may be transacted at the next succeeding Regular or Special Meeting.

Section 2.

Regular Meetings. Regular Meetings of the Board of Directors shall be held on the 15th day each month, of each year, or at such other times as may be fixed by the Board of Directors.

Section 3.

Special Meetings. Special Meetings of the Board of Directors may be called by any Officer at any time, and shall be called by the Secretary upon request of any two Directors.

Section 4.

Notice of Meetings. The Secretary shall send a notice of each meeting to each Director, but if the Secretary shall be absent, declines, or is unable to act, any other Officers of the Corporation may send such notice. The Officer giving such notice shall give at least five (5) days' notice if by mail, or two (2) days' notice of by telefax or telephone or electronic mail, of the time and place of such meeting, to be addressed to each Director at his or her address appearing on the records of the Corporation. Notice of any meeting may be waived in writing by any Director, and will be waived by his or her attendance at such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened and so indicates at that meeting.

Except as otherwise provided by this By-Laws, notice of an Annual or Regular Meeting need not specify the business to be transacted. Notice of a Special Meeting shall state the general nature of the business to be transacted.

Section 5.

Quorum. Two-thirds (2/3rds) of the Directors of the Board of Directors shall constitute a quorum for the transaction of all business, but less than a quorum may adjourn a meeting from time to time.

Section 6.

Action at Meeting. At any Meeting of Board of Directors at which a quorum is present, the vote of a majority of the Directors present, unless a different vote is specified by law, by the Articles of Incorporation, or by these By-Laws, shall be the act of the Board of Directors.

Section 7.

Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action to be taken is signed by all of the Directors. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors.

ARTICLE VI

OFFICERS.

Section 1.

Enumeration, Term of Office and Manner of Election. The Officers of the Corporation shall consist of a President, Treasurer and Secretary, all of whom shall be Directors of the Corporation, and such other officers including Vice Presidents, Assistant Treasurers, Assistant Secretaries, as the Board of Directors in its discretion may appoint from time to time.

The officers shall be elected by the Board of Directors annually at the Annual Meeting or a Special Meeting held in lieu thereof and shall hold office until the succeeding Annual Meeting and until their successors are elected. Any vacancy may be filled by the Board of Directors at any meeting.

Any two or more offices, except President and Secretary, may be held by the same person.

- a) **President.** The President shall preside at all meetings of the Board of Directors.
- b) **Vice-President.** The Vice-President shall act in the President's absence and shall chair all subcommittees established by the Board.
- c) **Treasurer.** The Treasurer shall oversee custody of all funds and securities belonging to the Corporation, to endorse for collection on behalf of the Corporation all checks, notes and other obligations for the payment of money, and shall deposit all such monies, funds, checks, notes and other obligations to the credit of the corporation in such banks or trust companies as the Treasurer may from time to time select. The Treasurer shall cause a regular set of books to be kept showing the accounts of the Corporation and all monies that may pass through the Treasurer's hands and shall, when requested by the Board of Directors, make a report to them at any Annual, Regular or Special Meeting with respect to any monies received by the Treasurer and such other matters pertaining to the accounts of the Corporation as the Board of Directors may require.
- d) **Secretary.** The Secretary shall keep a record of the proceedings of all meetings of the Board of Directors, and shall give notice of all meetings of the Board of Directors.
- e) **General Powers.** Each Officer shall have, subject to the Articles of Incorporation and these By-Laws, in addition to the powers and duties herein set forth, such powers and duties as are commonly incident to such office, and such duties and powers as the Board of Directors shall from time to time designate.
- f) **Removal.** Any Officer may be removed by the Board of Directors whenever in its judgment, the best interest of the Corporation would be served thereby.

ARTICLE VII

PROHIBITED ACTIVITIES.

Section 1.

No Commercial Endeavors. The name of the Corporation or the names of any Directors, Officers, or recipients of grants therefrom in such status, shall not be used in any connection with any commercial endeavor or with any partisan interest or for any purpose not appropriately related to the promotion of the objects of the Corporation.

Section 2.

Commitments on Behalf of the Corporation. The Corporation may cooperate with other organizations, foundations and agencies concerned with the education of individuals or other groups about the alternative therapeutic effects of medical cannabis, cultivation and distribution of medical cannabis, whether licensed in Maine, in another state within the United States of America or in another country or any other legal purpose of the Corporation, as it may be amended from time to time, so long as it does not interfere with the Corporation's primary purpose, but the persons representing the Corporation in such matters shall make no commitments that bind the Corporation without prior approval or and authorization by its Board of Directors.

Section 3.

Tax-Exempt Activities. No Director, employee, agent, representative, or recipient of any grant from the Corporation shall take any action or carry on an activity by, or on the behalf of, the Corporation not permitted to be taken or carried on by organizations exempt from Federal Income Tax under Section 50(c)(3) of the United States Internal Revenue Code and the regulations now existing or as they hereafter be amended, or which are not permitted to be taken by an organization to which contributions are deductible pursuant to Section 170(c)(2) of said Code.

Section 4.

Earnings and Assets. No Director, Officer, employee or person connected with the Corporation or any other individual shall at any time receive any of the income of the Corporation other than reasonable and bona fide expenses incurred on behalf of the Corporation, as approved by the Board of Directors.

Section 5.

Non-Discriminatory Policy. The Corporation shall not in any respect discriminate in any manner by virtue of gender, race, creed, religious beliefs, sexual orientation, citizenship or place or country of origin.

ARTICLE VIII

EXECUTION OF PAPERS.

Section 1.

Documents Requiring Corporate Seal. Deeds and leases, promissory notes, mortgages, contracts and all instruments with a monetary value of more than Five Thousand Dollars (\$5,000.00) or that shall not be able to be completed within three (3) months, shall require the seal of the Corporation shall be executed by the President and the Treasurer or Secretary.

Section 2.

Drafts and Checks. Unless the Board of Directors otherwise directs, all negotiable drafts and checks for more than Five Thousand Dollars (\$5,000.00) or less shall only require a signature from an authorized Officer.

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ARTICLE IX

MISCELLANEOUS.

Section 1.

Corporate Seal. The corporate seal shall be circular in form and shall bear the bears "Remedy Compassion Center, Inc." and "Incorporated Maine 2010".

Section 2.

Fiscal year. Except as from time to time otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on December 31.

ARTICLE X

INDEMNIFICATION.

Section 1.

Indemnification. Any Director, Officer, Member or employee of the Corporation who is a party to any threatened, pending or completed action, suit or proceeding by virtue of his or her capacity as a Director, Officer, Member or employee of the Corporation, shall be indemnified for his or her expenses incurred in relation to such proceeding to the extent permitted under Maine LAW, except that he or she shall not be entitled in any action in relation to which the Director, Officer, Member or employee convicted of a crime, or in which his or her conduct is determined to constitute civil fraud against the Corporation, or in which he or she is adjudged to be liable on the basis that personal benefit was improperly received by him or her.

ARTICLE XI

AMENDMENT.

Section 1.

Amendment. These By-Laws may be amended or repealed at any Annual, Regular or Special Meeting of the Board of Directors at which a quorum is present by vote of a majority of the Directors present, provided the proposed changes or a written statement thereof shall have been given in the notice of the meeting. These By-Laws may also be amended by unanimous consent in writing of all of the Directors.

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➤ **E-1 Personnel Policies and Procedures**

Personnel Policies

Confidentiality of Company Information

- Confidentiality of Patient information, Company policy, procedures, standards, practices, finances, etc. is a strictly enforced policy.
- Company information is just for REMEDY's use and not for to be used outside the company.
- All information gained and created while employed is property of AT and may not be taken when leaving the Company. This will be considered stealing and the Company will enforce to the extent the law will allow.

Training and Education

- Qualified candidates will be hired on a three-month probationary status during which they will receive training and evaluation.
- Training topics include cannabis industry topics, safety, patient care, legal issues, and Red Cross training.
- Employees training will take place periodically throughout the year, especially when topics that need further explanation are common.

Personal Property

- REMEDY Compassion Center cannot be held responsible for lost or stolen personal property.

Searches

- Personal workspaces are subject to inspection without prior notice.
- This includes desks, computers, personal property such as purses and bags.
- REMEDY reserves the right to conduct a personal body search if employee is suspected of stealing.

Diversion of Medical Cannabis

- REMEDY will work together with the Wilton Police Department if an employee is caught stealing or illegally distributing medical cannabis.
- Employees will be arrested and punished to the full extent of the law.

Public Conversations

- The only conversations that should take place in public areas are between employees and patients.
- Employees are prohibited from conducting personal conversations while in the presence of the public.
- Personal conversations are not appropriate in any public area.

Electronic Communications

- Employees may only use REMEDY's communication devices to communicate company business.
- Use of company communication devices for personal reasons is prohibited.
- Employees are prohibited from using personal communication devices while on the job, and must reserve such communications for their breaks.
- All Communications transmitted over company equipment are considered company records and are subject to periodic unannounced inspections.
- Employees may **not** use company equipment to download anything from the internet (including shareware or free software) without the advance written permission of the Systems Manager;
- Company equipment cannot be used to access blogs or online discussions.
- Employees must always respect intellectual property rights such as copyrights and trademarks.
- All access codes, encryption keys and passwords and must be available and known to REMEDY Compassion Center.

Cell Phones

- Cell phones must be turned off while on the job.
- Company-issued cell phones may not be used for personal communications if doing so will cause the telephone plan to exceed the allowed minutes.

Personal Appearance and Hygiene

- Employees must wash their hands with warm water and anti-bacterial soap after eating or smoking, after using the restroom, and before returning to work after a break. Clothing that displays words, images or statements are not considered work appropriate.
- Employees must not wear clothing that reveals cleavage, upper thighs, or stomach. No underwear may be visible.
- Any employee found in violation of this policy may be asked to go home, change and return to the work place.
- Employees must present themselves in a clean and odor-free fashion. Preventative measures should be taken to avoid body odor.
- Personal expression is welcome as long as it is consistent with our image of excellence and professionalism.
- Piercing and tattoos are considered personal expression, and are generally acceptable. If such forms of expression may be offensive to others, we request that adjustments are made or coverings are worn while on the job.
- Proper grooming and hygiene must be maintained at all times. Employees who shave their face must keep it clean-shaven and without stubble. If an employee has a beard and/or mustache, it must be clean and adequately trimmed.
- As patients or co-workers may have sensitivity to strong odors, please refrain from wearing perfumes or colognes in the workplace.

Performance Reviews

- New employees will generally be reviewed at the end of their introductory period.
- Employees will receive yearly performance reviews to monitor progress and discuss strengths and weaknesses.

Jury Duty

- Make arrangements with human resources as soon as you receive your summons.
- Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.
- Summoned employees are expected to return to your job if you are excused from jury duty during your regular working hours.

Military Leave

- Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with federal and state law.
- The time off will be unpaid, except where state law dictates otherwise. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.
- Accrued paid time off may be used for this leave if the employee chooses.
- Employees are asked to present military orders and arrangements for leave should be made as early as possible.

Employee Discount

- All employee purchases must be rung up by the Dispensary Manager.
- REMEDY Compassion Center employees are entitled to a discount of 20% off our retail prices.
- Employee may not use the discount to buy medicine for other patients.
- Employees may not reserve medicine for themselves or anyone else.
- All employee purchases must be made from the public side of the retail counter.

Confidentiality of Patient Matters

- The law and our professional ethics require that each employee maintain confidentiality when handling patient matters.
- To maintain this professional confidence, no employee shall disclose patient information to outsiders, including other patients, third parties or members of one's own family. Patients trust REMEDY Compassion Center employees to maintain their confidentiality and care. Due to the nature of our business, REMEDY Compassion Center strongly discourages any employee from developing personal relationships with patients.
- Any disclosure of confidential information will result in disciplinary action up to and including discharge.
- REMEDY Compassion Center has policies and procedures regarding HIPAA compliance and you are expected to follow them. Failure to follow our policies and procedures may result in disciplinary action up to and including discharge.

Food and Beverages

- Employees may keep one closed-top bottle of drinking water with them on the job. The bottle must be stored out of public view and the water consumed discreetly.
- All food and drinks other than water must be consumed in either the break room or outside during breaks.
- No food or drink may be consumed or stored in the public areas of our facility.

Tardiness and missed work

- All employees must arrive at their work areas, and be ready to start work, at the beginning of their assigned shift.
- Traffic or weather conditions, with the exception of natural disasters or other emergencies, are not excusable reasons for tardiness.
- When an employee is going to be late, he or she must contact their manager immediately.
- Unexcused or excessive absences are taken very seriously and may lead to disciplinary action up to and including discharge.
- When an employee cannot come to work, they must contact their manager at least two hours before the start of the scheduled shift so that the position may be properly covered.
- If the manager cannot be reached, a member of senior management must be contacted.
- For emergencies (unexpected absences) that were not called in within the appropriate time constraints, employees must provide verification or documentation.

Visitors

- Under no circumstances will visitors be allowed in confidential, unauthorized or potentially hazardous areas.
- Please notify your manager if you are expecting a visitor.
- Visitors are not allowed in any area of the building without prior authorization by the Executive Director.

Contact with the Media

- No employees, unless specifically designated by the EXECUTIVE DIRECTOR, are authorized to make those statements.
- Only the Executive Director is authorized to make or approve public statements pertaining to REMEDY Compassion Center or its operations.

Personnel Procedures**Safety Procedures**

- Every employee should practice think defensively and use caution in unsafe situations.
- The following precautions must be taken:

- If you are lifting something heavy, use your legs instead of your back and ask for help.
- Do not hesitate to notify your manager if you are in or you suspect an unsafe situation.
- Inform your manager if you are injured on the job.
- Inform your manager if you become ill while at work.
- The use of alcoholic beverages or illegal substances before or while at work is prohibited.
- The possession of alcoholic beverages or illegal substances on REMEDY Compassion Center's property is forbidden.
- Know the locations, contents and use of first aid and fire fighting equipment.
- Comply with OSHA standards at all time.

Door Protocol

- All doors equipped with a biometric (fingerprint) lock must only be open when in use.
- Immediately close any door that you see is left open.

Sexual harassment

- Sexual harassment, harassment or retaliation should be reported verbally and in writing.
- If the employee's immediate supervisor is the source of the alleged harassment, the employee should report the problem to the supervisor's superior or to a Principal Officer.
- Any potentially dangerous situation must be reported immediately to their Supervisor.
- Reports can be made anonymously and all reported incidents will be investigated.
- All parties involved in a situation will be counseled and the results of investigations will be discussed with them. The Company will actively intervene at any indication of a possibly hostile or violent situation.

Care of Patient Records

- REMEDY Compassion Center has policies and procedures regarding HIPAA compliance and you are expected to follow them. Failure to follow our policies and procedures may result in disciplinary action up to and including discharge.
- To provide the best care for our patients it is critical that we maintain accurate and current patient records. Patient records should be returned to the appropriate filing cabinet following documentation. Patient records may not be removed from the premises for any reason.
- Occasionally, patients or other physicians will request copies of company records. Under no circumstances will requests for patient records be fulfilled unless prior legally permissible authorization is provided. All requests for patient records must be forwarded to the Holistic Services Director.
- Patient records should be handled with care and not disfigured in any way. Falsification of patient records is strictly prohibited.

➤ **E-2 Growing and Cultivating Policies and Procedures**

Cultivation Department Procedures

1. Arrive on-time. Use the foot bath provided to clean shoes upon entering the facility. If you are delayed, notify your supervisor immediately.
2. Upon arrival, clock-in on the time clock.
3. Stow your personal items in the employee lockers and turn off your cell phone. No bags are allowed in the Cultivation department.
4. Change into REMEDYwear for cultivation staff, including cultivation department shoes to be kept at REMEDY at all times.
5. Follow decontamination procedures for all Cultivation Department staff, clearly posted at the entrance. Do not visit the Processing Department or the Packaging Department unless you are authorized to do so by the Operations Manager, and only then stow your Cultivation Department special REMEDYwear in your locker before doing so. Avoiding contamination and pests is paramount and policies will be strictly enforced.
6. Read the staff log for an update from the previous day and any other pertinent information. Write-in any information that you wish to communicate with the rest of the staff.
7. Remind your supervisor of any scheduling needs you have for that shift.
8. Print a copy of the Daily Cultivation Report from the previous day.
9. Complete the day's Daily Cultivation Report.
10. Meet with Cultivation Manager to go over the schedule of work, including quality control and the daily operations checklist:
 - a. Maintain all areas in a sterile, clean method
 - b. Feeding schedule
 - c. Cultivation check and pruning
 - i. Organic soil-less mediums
 - ii. Hydroponics
 1. Nutrient Flow Technique System
 2. Drip Systems
 3. Ebb and Flow/Flood and Drain
 - iii. Aeroponics
 - d. Equipment checks
 - e. Transplanting
 - f. Harvesting
 - g. Trimming
 - h. Drying
 - i. Curing
11. All doors must stay locked and closed; only one door to a room may be left open when moving items.

Cultivation Department Closing Procedures

1. Check with the Cultivation Manager for any changes to the daily routine.
2. Review the amounts on the Daily Cultivation Report for accuracy. Request Cultivation Manager's signature for the report.
3. Secure the cultivation carts and other equipment in their standard places.
4. Complete all lock down procedures, set alarms, and turn off machines and lights.
5. Complete all closing tasks as delegated by the Cultivation Manager.
6. Clock-out at the time clock on your way out the door.

Monthly Cultivation Inventory Procedures

A complete Cultivation Inventory of both useable and unusable cannabis will be performed at REMEDY Compassion Center and logged into the production system. Cultivation Department staff will count and precisely weigh all products, including:

1. Packaged Cannabis in the Processing Department
2. Cannabis in various stages of production, including leaves and by-product, cannabis that is drying and curing. Freshly harvested cannabis usually evaporates 15-20% of its weight during drying and curing, however, be sure to obtain the current weight at each stage for audit purposes.
3. Items in quarantine.
4. Cannabis that is reserved for food production.
5. Cannabis plants in various stages of growth, including seedlings and seeds.
6. All inventory counts must be double-counted.

Cultivation Inventory Discrepancy Procedures

1. If physical Cultivation counts do not match records and are off for any reason, the Cultivation Manager will immediately notify the Executive Director, who is responsible for contacting the Department of Health and Human Services.
2. The REMEDY Cultivation Manager will document the incident in a report that includes the following information: the date, name of people involved, a description of the incident(s), identification of known or suspected cause(s) for the event(s), and any corrective action(s) taken.
3. It is imperative that the cause of the discrepancy is determined. Cultivation counts will be examined closely, noting any possible failures in our security. We will create a specific timeline of events and collect documented evidence in an attempt to understand the relationship of the contributory factors.
4. Once we have determined the cause of the problem, corrective actions will be implemented to prevent its recurrence. Every detail of the discrepancy will be precisely documented. All documents will be available to the Department of Health and Human Services.

Cultivation Processes

1. All initial plants will be grown from seed, based on known genetics, from a trusted seed bank. The seed bank publishes the medicinal benefits, THC content, and hints on growing techniques for each strain.
2. The grown seedlings are labeled and kept alive in a vegetative state (mother plant) allowing for consistent future a-sexual generations (clones) to be grown out.
3. A mother plant, also known as a donor plant, is vegetated under metal halide grow lights for an 18-hour photo period.
4. Clones are cut using a specific procedure. Once healthy roots are present the clones are ready to be transferred to the vegetative area.
5. Once rooted, the seedlings are to be re-potted into hydroponic medium if synthetic, and if organic, a soilless medium will be utilized. The organic seedlings are transplanted into a premixed organic medium in 4" deep square pots. The hydroponic seedlings are placed onto drain tables. All new seedlings are to be grown under 1000w Metal Halide lights and grown under 18 hours of light per day. The synthetically grown seedlings will be grown hydroponically and are transplanted into clay medium in 4" deep square pots. The hydroponic seedlings are placed onto flood and drain tables. The plants are both fed specifically measured, vegetative nutrients creating a healthy root system.
6. Once the plants grow sufficient roots and are at adequate size, they are transplanted into larger containers and placed into the flowering room. The flowering room contains 1000w HPS lighting and is illuminated under a 12 hours photo period. The plants are fed accordingly throughout the cycle.
7. Plants that are in the later stage of flowering shall be flushed accordingly, and ready for the Cultivation Manager to decide when to harvest. Most plants will do well to be harvested when 80% of the plants' pistils turn from white to amber. The best method, however, is to monitor the resin glands or trichomes through a 30x magnifying glass. Medicinal effects greatly depend on the timing of harvest. The peak harvest window is about five to seven days.
8. Plants will be harvested in a batched production process, depending on flowering times. Each plant will receive a complete flushing with plain water and molasses 10-14 days prior to harvest. The complex sugars in molasses will aid in taste while bulking up the cola buds.
9. Plants will receive no water for 2-3 days prior to harvesting. During the last few days we will remove the large leaves making the manicuring easier and faster. This will decrease drying time and help prevent molds. The plant will remain in total darkness for twenty-four hours prior to the initiation of harvest procedures.
10. Harvest will begin in the morning when THC reaches its peak content. All employees will wear medical grade rubber gloves. Once harvested, the buds will be manicured prior to initiation of the drying process. The plants will hang upside down or be placed on drying racks.
11. A TrimPro machine will aid in trimming up to five pounds per day, however, the best quality is produced by hand. A balance will be achieved between the best quality available and the savings of time and effort according to the direction given by the Cultivation Manager.

12. The drying and curing area will have controlled temperatures below 70°F, with humidity between 45-55% at all times. When dried slowly, over five to seven days or even longer, moisture will evaporate in a uniform manner yielding a sweet tasting, smooth delivery. The initial buds will dry in wooden drying racks before being transferred to glass containers.
13. Curing will take approximately three to four weeks, and the glass containers will be opened once per day. Using gloves, facemask, and hairnet, open the jars carefully and ensure the flowers are not sticking to each other or the sides in order to prevent mold from occurring, then close them back up.
14. Rubber mats will protect the floor and minimize the chance of breakage. Careful handling ensures the best quality for patients.
15. Glass containers will be used for top quality medicine, and special high quality, food grade zip-lock-type bags for mid and lower range quality medicine.

➤ **E-3 Inventory Policies and Procedures**

Inventory Department Policies

Any policies that apply to all dispensary employees also apply to Inventory staff. In addition, the following policies apply specifically to the Inventory Department:

1. Never leave large amounts of money or medicine alone anywhere except in the vault or inventory room.
2. All doors must stay locked and closed; only one door to a room may be left open when moving items.
3. The inventory room must stay locked unless someone is inside.
4. Never leave money out in the open in the inventory room, even if the doors are locked; always store in the cash box.
5. If a counting task is interrupted by a request from another department, you must tell that person to wait until you have completed your immediate task. You must finish your current project before beginning a new one.
6. Any changes made to the POS must be reviewed and approved by an Inventory Manager
7. All money must be counted twice.
8. Physical Inventories must be conducted once a month.

Inventory Associate Opening Procedures

1. Arrive on time. If you are delayed, notify your supervisor immediately.
2. Upon arrival, clock-in on the time clock.
3. Stow your personal items in the employee lockers and turn off your cell phone. No bags are allowed in the inventory department.
4. Read the staff log for an update from the previous day and any other pertinent information. Write-in any information that you wish to communicate with the rest of the staff.
5. Remind your supervisor of any scheduling needs you have for that shift.
6. Print a copy of the Daily Inventory Report from the previous day.
7. Complete the day's Daily Inventory Report.
8. Restock the inventory cart according to the Daily Inventory Report, checking each item as you do so.
9. Prepare the cash register tills according to the Daily Inventory Report, checking off the amounts as you do.
10. Move inventory from the vault to the sales floor.
11. Supervise sales employee as items are moved from the cart to the sales display and inventory racks. Check amounts off the Daily Inventory Report. Request sales employee signature.
12. Supervise sales employee as cash is moved from the cart to the cash drawer. Check amounts off the Daily Inventory Report. Request sales employee signature.
13. Move Inventory in Process from the vault to the Processing Department, double-checking and signing for the amounts indicated on the previous day's Daily Processed Inventory Report.
14. Take scheduled breaks according to REMEDY policy outlined in the Employee Handbook and as communicated in the staff log.

15. Stock processed items from the previous day, re-weighing each item and indicating their location on the previous day's Daily Processed Inventory report.
16. Inventory and restock sales floor items according to the daily schedule and as requested. Indicate updates on the Daily Inventory Report.
17. Inventory cash tills according to schedule and as requested. Indicate cash amount on the Daily Inventory Report. Secure cash in the vault.
18. Upon closing of the Processing Department, relocate all processed and unprocessed items to the vault. Complete the Daily Processed Inventory Report.

Inventory Associate Closing Procedures

1. When the Safety Department signals to do so, move inventory carts to the sales floor.
2. Supervise sales employee as they move items from the sales display to the cart, writing the amounts on the Daily Inventory Report. Request sales employee's signature.
3. Supervise sale employee as they remove cash from registers and place on cart, writing amounts on the Daily Inventory Report. Request sales employee signature.
4. Collect settlement report slips verifying "settlement successful" from credit card machines on the sales floor.
5. Prepare cash drop.
6. Secure the inventory cart in the vault.
7. Complete all lock down procedures, set alarms, and turn off machines and lights.
8. Complete all closing tasks as delegated by the Dispensary Manager or Manager On Duty.
9. Clock-out at the time clock before departing.

Monthly Inventory Procedures

The day before opening, and each month thereafter, a complete inventory of both useable and unusable cannabis will be performed at REMEDY Compassion Center and logged into the computer POS system.

Inventory Department Staff will precisely weigh all product, including:

1. Packaged cannabis
2. Cannabis in various stages of production, including leaves and by product, cannabis that is drying and curing. Freshly harvested material weight will be reduced by 80% due to drying.
3. Items in quarantine.
4. Cannabis that is reserved for food production.
5. Cannabis plants in various stages of growth, including seedlings and seeds.
6. Prepared cannabis products such as butter, oil, honey, tinctures, lotions, and edibles.
7. All sales items such as REMEDY wear, and medicine delivery systems, and other sundries.

The Inventory Department Manager will also count all cash reserves.

Inventory Discrepancy Procedures

If physical inventory counts do not match the inventory counts recorded in the POS system outside of a specified tolerance, the Department of Health and Human Services will be notified. The REMEDY Inventory Manager will document the incident in a report that includes the following information: the date, name of people involved, a description of the incident(s), identification of known or suspected cause(s) for the event(s), and any corrective action(s) taken.

It is imperative that the cause of the discrepancy is determined. Inventory counts will be examined from plant to purchasing, meticulously noting any possible failures in our security. We will create a specific timeline of events and collect documented evidence in an attempt to understand the relationship of the contributory factors.

Once we have determined the cause of the problem, corrective actions will be implemented to prevent its recurrence. Every detail of the discrepancy will be precisely documented. All documents will be available to the Department of Health and Human Services.

➤ **E-4 Food Preparation Policies and Procedures**

REMEDY Compassion Center will be preparing cannabis-infused baked goods, tinctures and topical treatments in our commercial, state licensed kitchen. All prepared foods for sale will be individually sealed into child-resistant packaging so the food is not visible. All items will be labeled indicating the contents and medicinal dosage. The baked goods, except samples, will be stored in the freezer to ensure maximum freshness.

We will obtain a Commercial Food Processor License from The Maine Department of Agriculture, Food and Rural Resources, Division of Quality Assurance and Regulations, pursuant to 22 Maine Revised Statutes section 2167. We will also adhere to the guidelines set forth in their publication, the Maine Food Code, which outlines the certain regulations and guidelines that must be followed in order to produce food under sanitary conditions and protect the health and well-being of our potential customers. The Food Processing Authority will also review all our recipes. Since the water source will be from a municipal system, it won't be necessary to inspect or test the water. Likewise, since the sewage disposal is a municipal system, it will not be subject to local code enforcement guidelines.

The kitchen facility will be inspected by the state to determine that the construction and design assures "production of a wholesome, uncontaminated product" when food is prepared there. According to their guidelines, the following conditions will be met in the kitchen:

1. Equipped with a two-bay sink made of corrosion resistant material.
2. Any windows and doors of the kitchen will have screens.
3. The floor will be smooth, clean and sanitary.
4. Walls and ceilings will be in good repair and easily cleanable.
5. Counters and food contact surfaces will be made of a non-absorbent, corrosion-resistant material such as stainless steel or Formica.
6. The kitchen will be equipped with an adequate supply of hot and cold water, with a hot water temperature of no less than 120 degrees.
7. Trash and compost containers will be covered, fly-tight, and metal or plastic.
8. The refrigerator and freezer will each be equipped with an easily readable thermometer.
9. All stored food products will be wrapped or covered.

To ensure optimum safety and cleanliness of the kitchen and proper food handling practices, we have developed the attached "Food Preparation Policies and Procedures."

Food Preparation Set-up Check List:

- 1) Disinfect all utensils, bowls, mixer blades, and cooking pans by one of the following methods:
 - a) Immersion in 170 degree F water for at least 30 seconds.
 - b) Immerse in a minimum 75 degree F water bath of 50 ppm of chlorine.
 - c) Run through a commercial- grade dishwasher that uses either heat or chemicals for sanitizing may also be used.
- 2) Sweep and mop the floor.
- 3) Extinguish all smoking materials while processing food.
- 4) Check that the refrigerator is 45 degrees F. or below, and the freezer is 0 degrees F. or below.
- 5) Sanitize the counters using a solution of 1 tablespoon of bleach per gallon of water.

Food Preparation Policies According to FDA food guidelines

(a) Disease control. Any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination by which there is a reasonable possibility of food, food-contact surfaces, or food-packaging materials becoming contaminated, shall be excluded from any food preparation operations. Personnel shall be instructed to report such health conditions to their supervisors.

(b) Cleanliness. All persons working in direct contact with food, food-contact surfaces, and food-packaging materials shall conform to hygienic practices while on duty to the extent necessary to protect against contamination of food. The methods for maintaining cleanliness include, but are not limited to:

1. Wearing a clean apron
2. Maintaining adequate personal cleanliness.
3. Washing hands thoroughly followed by a hand sanitizer before engaging in food preparation, after each absence from the kitchen, and at any other time when the hands may have become soiled or contaminated.
4. Removing all unsecured jewelry and other objects that might fall into food, equipment, or containers, and removing hand jewelry that cannot be adequately sanitized during periods in which food is manipulated by hand. If such hand jewelry cannot be removed, it may be covered by material which can be maintained in an intact, clean, and sanitary condition and which effectively protects against the contamination by these objects of the food, food-contact surfaces, or food-packaging materials.
5. Wearing gloves made of an impermeable material.
6. Wearing, where appropriate, in an effective manner, hair nets, headbands, caps, beard covers, or other effective hair restraints.
7. Storing clothing or other personal belongings in areas other than where food is exposed or where equipment or utensils are washed.
8. Limiting the following to areas other than where food may be exposed or where equipment or utensils are washed: eating food, chewing gum, drinking beverages, or using tobacco.
9. Taking any other necessary precautions to protect against contamination of food, food-contact surfaces, or food-packaging materials with microorganisms or foreign substances including, but not limited to, perspiration, hair, cosmetics, tobacco, chemicals, and medicines applied to the skin.
10. Food handlers and supervisors should receive appropriate training in proper food handling techniques and food-protection principles.

➤ **E-5 Quality Control Policies and Procedures**

The Manager of Cultivation will conduct training classes for all employees who work under his/her direction. The following subjects will be taught: OSHA, Machine Safety, Proper Medical Marijuana Handling Techniques, Drying and Curing Techniques, Pest or Mold Discovery Procedure, and Organic Procedures. These classes will be mandatory for all employees working in the Cultivation Area.

Cultivation Environment

REMEDY Compassion Center will take every measure of precaution to maintain quality control of the medicine. Following are the cultivation practices we intend to use.

REMEDY Grow will employ a Closed Growing Environment (CGE) method, used by the best commercial cultivators, which creates an indoor microclimate ideal for plant growth while also enhancing grower security.

Ballasts, electrical items, and other equipment are in rooms that do not contain plants. This keeps unwanted heat and equipment out of plant rooms, decreases electrical dangers, and makes maintenance easier. We will place air conditioning units, ballasts, and other electrical equipment in rooms specially designed to control electrical hazards, while placing nutrient reservoirs, propane tanks and related equipment in other segregated, non-plant rooms. CGE eliminates problems that are caused by allowing outside air in, specifically insects, fungi, spores, molds, and even hemp pollen into a grow room. REMEDY will install venting systems outfitted with activated coconut carbon charcoal filters located at the top of the room that will eliminate odors and pathogens.

CO2 augmentation is necessary in a CGE environment because air is recirculated, instead of having fresh CO2-rich air brought in from outdoors and it speeds plant growth. However, when CO2 is used in rooms that are not properly sealed, the gas can cause health hazards, and is partially wasted when it escapes the grow room instead of being totally absorbed by plants. The CO2 generators will be outside of the grow rooms and use fans to send CO2 from the generators into rooms via duct systems using CO2 sequencers and controllers that measure air density and then turn the CO2 devices on and off to maintain a 1,500 ppm CO2 level in the rooms. CO2-rich air will be pushed in with intake fans, with exhaust fans on the other end of the room pulling the CO2 through the plants.

Sensors will be used to monitor air temperature to keep it an ideal growing environment; 73-78°F, 40-55% humidity, 1,500 ppm CO2, with constant air flow throughout. Remote monitoring and notification features will be investigated so that the Operations Manager can be contacted if the environment has slipped out of optimum.

We will investigate the use of "passive" systems that cool the air by running water through a coil that air is blown over, as they are less expensive to use. We will employ one 16-inch oscillating fan for every four lights, which increases air circulation. Air blowing on plants causes thicker stalk development, better nutrient circulation, healthier plants, and increased yield.

Watering and Feeding

During initial build-out, we will wait until insulation, venting, and electrical work is complete before building plywood grow trays that are three to six feet wide. The trays are coated in plastic with built-in drainage, not sitting on floors.

REMEDY will use automated watering systems outfitted with spaghetti line fed off a hose with one-inch header no-drip emitters, using valves to adjust flow levels on each feed. Nutrient solutions are stored in large, sterilized plastic barrels; sophisticated, flexible, pump-timer plumbing systems are used to get water from reservoir rooms to plants.

REMEDY will use an automatic nutrient delivery system calibrated through experience in order to provide nutrients in precise amounts to ensure that each batch of medicine is consistent. Plants will be inspected daily with a magnifying glass and we will use microscopes and pathogen test kits to examine clones, clone mothers, grow medium, nutrient water, and the general grow environment, ever alert to even the most minor indicators of disease or pests.

Discovery of Pest or Mold Procedure

If there is any sign that plants are infected with plant pests, affected plants are removed immediately to the appropriate quarantine room and a Yellow Warning Report will be generated and given to the Cultivation Manager. The team will remediate the plants with natural predators and not with pesticides before returning the plant back to cultivation, or will be destroyed. All plants will be left in an isolated treatment room until completely cured of pest and or disease.

How Cannabis Medicine is Administered

REMEDY Compassion Center will offer a variety of forms of cannabis medicine with various delivery methods. It can be smoked, swallowed, eaten, applied under the tongue, or rubbed on topically. The following describes these methods, and a REMEDY team member will be happy to assist patients with their selection to meet specific needs:

Smoking Cannabis

Smoking dried flowers and/or leaves of the cannabis plant is the most common way of ingesting the medicine. Dried cannabis can be smoked in a pipe, hand-rolled into a cigarette, or smoked from a water pipe ("bong"). Regularly smoking any plant material can have a negative impact on pulmonary health and therefore REMEDY Compassion Center recommends patients use vaporizers or edible forms of medicine whenever possible.

Cigarette

A marijuana cigarette is called a "joint". The size of the joint depends on the amount of medication rolled inside a plain or flavored smokable paper. The effect is immediate, so patients get fast relief and can easily determine the appropriate dose. Some patients may benefit more than others, as everyone's body is different. Joints tend to burn through medicine quickly, so you may find that you go through more volume than other methods.

Pipe

Pipes range in size from "one hitters" on up. It is important to place a screen under the cannabis material to avoid inhaling particulate. The effect is as immediate as smoking a joint.

Water Pipe

Also known as "bongs", these come in all shapes and sizes, some of which are handcrafted by glass blowers into beautiful works of art. The smoke travels through a water reservoir prior to inhalation. Although the water may cool the smoke, studies indicate that it doesn't filter out carcinogens as once believed. There are no significant health benefits to smoking out of a water pipe over other methods.

Vaporizers

By far the safest method of inhaling medical cannabis is in a smokeless vapor. A vaporizer is a device that allows the patient to separate the cannabinoids (the therapeutically effective chemicals in cannabis) from the plant material without burning. The cannabis is heated to about 400 degrees F to release the cannabinoids into a vapor, (a gaseous form that can be inhaled). This eliminates carcinogens since combustion begins at about 540 degrees F, so it mitigates many if not all of the negative effects of smoking. It tastes better as well. Patients who are used to smoking cannabis may not think they are getting any medicine from the vapors at first because the vapors do not burn the throat. Generally, three tenths of a gram is a good starting dose. We

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suggest using caution and waiting a few minutes for the full effects to be realized before consuming more.

Although vaporizers are expensive, they use less medicine to reach the desired effect, so there are cost savings in the long run. REMEDY Compassion Center will be offering workshops on how to build your own vaporizer using a heat gun.

Edible Cannabis

Edibles are foods cooked with medical cannabis-infused oils, honeys, and butters. They come in the form of edible treats such as brownies or candies, capsules, or straight oil, butter or honey that can be added to prepared foods and beverages. We recommend exercising caution when trying an edible for the first time. The flavored treats make it tempting to exceed a comfortable dose and eating cannabis has a much different effect than inhaling smoke or vapors. Although the onset of effect may take up to an hour depending on the fullness of the stomach, the relief can last up to ten hours. Since eating cannabis involves the digestion process including the liver, the medicine is processed in the body differently. Patients report that the edibles produce an euphoric therapeutic effect which can become "trippy" if too much is consumed. REMEDY Compassion Center offers edibles that are labeled with dosage amounts. We recommend consuming a quarter of a dose the first time, wait 45 minutes, and then take another quarter if it has not achieved the desired effect. Do not exceed a half a dose the first time you try an edible.

Tinctures

Tinctures are a concentrated form of cannabis extract in a solution of alcohol or glycerin. They offer a convenient way to medicate in a non-smoking environment. Dosage is measured in a dropper and delivered under the tongue and absorbed through the mouth or added to a beverage. The onset of effect is between five and twenty minutes, and the duration is similar to that of edibles and can last over four hours.

Lotions

Patients can benefit from the anti-inflammatory properties of cannabis by applying it topically in the form of a lotion, ointment, alcohol spray or salve. It also relieves muscle spasms, knots, and soreness. Patients have found that applying topical cannabis to psoriasis and eczema promotes healing and helps to clear skin conditions.

Sativa vs. Indica

Which is best for you?

Medical Cannabis comes in two basic types: Sativa and Indica. Each type has its own distinct set of characteristics. The efficacy of cannabis is directly related to strain selection, therefore we recommend care be taken in selecting appropriate strains to meet your needs. Science is beginning to identify particular varieties that are effective for sleep, pain, appetite, and energy, as well as for specific conditions and symptoms. REMEDY Compassion Center surveys our patients to determine which of our strains has been effective for particular ailments. We will also be researching the medical science and reporting their findings back to our patients. We suggest that patients keep record of their own experience with set and setting at the time of medicating, strains used, dosage, and method of delivery to determine what works best for them.

Cannabis Sativa

The sativa plant is a tall, slower growing and maturing plant characterized by long, thin leaves. Sativa buds, the part of the plant that contains the most medicine, grow in long, thin, spearlike clusters and can be red or purple in color depending on the environment they grow in. The plants smell sweet and fruity and the smoke is generally mild.

The effect of sativa is often characterized as cerebral, uplifting, and energetic. It provides excellent pain relief for certain symptoms, listed below, and gives a feeling of optimism and well-being. These benefits can be particularly helpful for the psychological component of many illnesses. Sativas are generally better for daytime medication.

Patients have reported that sativa provides the following medicating effects:

- Reduces Nausea
- Reduces Depression
- Relieves headache and migraine
- Reduces pain awareness
- Stimulates appetite
- Energizes and stimulates
- Increases focus and creativity
- Supports immune system

Cannabis Indica

As apposed to cannabis sativa, indica plants are normally shorter and stockier, reaching between three and six feet tall. Their leaves are short, broad, and deeply serrated and sometimes tinged with a hint of purple and the flowers form in compact, dense clusters. The indica plant has a strong stinky or skunky smell and the smoke is generally heavy and can produce a coughing response.

The medicating effect of indica is predominantly physical, although the relief of certain physical symptoms can have positive emotional results as well. Indicas are characterized as relaxing, sedating, and pain reducing and are excellent at relieving stress. They produce an overall sense of calm and serenity and are very effective for overall body pain relief, allowing a patient to simply sit still. Indicas are generally best for later in the day and before bed.

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Patients have reported that indica provides the following medicating effects:

- Reduces pain
- Reduces inflammation
- Relaxes muscle spasms
- Stimulates appetite
- Aids sleep
- Reduces headaches and migraines
- Reduces intra-ocular pressure
- Anti-convulsant

Hybrids

Strain crosses, or hybrids, are the result of cross-pollination of various strains. The characteristics, and hence the effects, of one strain will usually be dominant. For example, indica-dominant crosses are good for pain relief, with the sativa component helping with energy, and activity levels. Sativa-dominant crosses are good for stimulating appetite, with the indica component helps reduce body pain and increase relaxation.

Recommendation to Patients:

"Don't smoke, Vaporize"

By Dr. Dale Gieringer

Patients receiving physician approval to use cannabis should be warned that chemicals released when the dried leaves and/or flowers are burned put heavy smokers at increased risk for bronchitis and respiratory infections.

The risk can be avoided, however, by an alternative delivery system: a device called a vaporizer that heats dried cannabis to a temperature where cannabinoid vapors are released, but below the point of combustion, where noxious and carcinogenic smoke toxins are formed. Patients can thus inhale the pharmaceutically active cannabinoids without exposing themselves to harmful respiratory toxins.

Although the principle of vaporization has been known for a long time, until recently there were no scientific studies demonstrating its feasibility. The situation has changed thanks to a pair of studies sponsored by California NORML and MAPS at Chemic Laboratories in Canton, Mass.

The first, completed in 2001, tested a vaporizer known as the M-1 Volatizer, (www.volatizer.com). The M-1 resembles an auto cigarette lighter that is designed to fit over a pipe or bong bowl and heat the sample to the point of vaporization. Efficient vaporization occurs around 180° - 190° C (356° - 374° F) while combustion occurs around 230° C (446° F).

The study found that the M-1 delivered effective levels of THC, CBD and CBN, while completely eliminating three specific toxins —naphthalene, benzene, and toluene— in the solid phase of the vapor. A qualitative reduction in carbon monoxide was also detected.²

Volcano Study

The second vaporizer study, released in April of this year, looked at a much wider range of toxins, focusing particularly on the highly carcinogenic polynuclear aromatic hydrocarbons (PAHs), a prime suspect in smoking-related cancers. The device tested was the "Volcano" (www.storz-bickel.com), a vaporizer that has become extremely popular with medicinal cannabis users who can afford it —the retail price is around \$600 due to its high-tech innovative design. The Volcano consists of a heater with a sample chamber on top. An air pump blows hot air through the sample into a balloon, where the vapors are collected. After being filled, the balloon is detached and fitted with a valved mouthpiece, through which the vapors are inhaled. The novel design has been patented in the U.S. and internationally by Storz & Bickel GmbH&Co. KG, Tuttlingen, Germany.

The study compared Volcano vapors to smoke produced by combusted marijuana. The cannabis was the standard product provided to researchers by the National Institute on Drug Abuse, containing 4% THC. Analysis by gas chromatograph mass spectrometer (GCMS) showed that the Volcano vapor consisted almost entirely of THC (95%), with traces of cannabinol (CBN), another cannabinoid. The remaining 5% consisted of small amounts of caryophyllene, a fragrant oil in cannabis and other plants, and two other components of uncertain origin.

In contrast, analysis of the combusted smoke showed a potpourri of at least 111 different gas phase components, including six known PAHs. Non-cannabinoids accounted for as much as 88% of the total gas content of the smoke.

A separate study was undertaken to determine the efficiency of the Volcano in delivering THC. Three balloonfuls of vapor were drawn from the sample and analyzed quantitatively via high-pressure liquid chromatography. On average, 46% of the THC from the sample appeared in the vapor. This compares favorably with the efficiency of marijuana cigarettes as observed in other studies, which can fall below 25% due to loss of THC in sidestream smoke.

The efficiency of the Volcano appears to be due to the innovative balloon containment system, which prevents loss of vapor as well as providing a fixed dosage quantity useful for controlled studies. It is possible that higher efficiencies could have been realized by stirring the sample around and drawing another balloonful, as recommended by the manufacturer.

The Volcano study provides the most compelling evidence to date that vaporizers offer an effective means of eliminating the respiratory hazards of marijuana smoking. In its 1999 report on medical marijuana, the Institute of Medicine recommended against long-term use of smoked marijuana because of the health risks of smoking. However, the IOM report was silent on the subject of vaporizers.

Foes of medical marijuana such as the California Narcotics Officers Association have continued to harp on the health hazards of smoking as an objection to legalization. However, advocates can now reply that the vaporizer studies put these objections to rest.

At present, the only FDA-approved method for administering marijuana to human research subjects is via smoking NIDA-supplied cigarettes. NORML and MAPS are supporting efforts to have vaporizers approved by the FDA. Donald Abrams, MD, of the University of California, San Francisco, has submitted a grant proposal to the California Center for Medical Cannabis Research in San Diego to test the Volcano in human subjects. If the protocol is funded and the Volcano approved by the FDA for human research, it will be the first human study using a vaporizer.

In the meantime, vaporizers are enjoying growing popularity in the medical marijuana community. Dozens of models are currently on the market, ranging from homemade glass vaporization pipes to sophisticated electronic devices. To avoid the paraphernalia laws, most are discreetly sold as "herbal vaporizers."

10 Things Every Parent, Teenager & Teacher Should Know About Marijuana

(reprinted from pamphlets by the Family Council on Drug Awareness and will be made available at REMEDY)

1. Q. What is Marijuana?

A. "Marijuana" refers to the dried leaves and flowers of the cannabis plant, which contain the non-narcotic chemical THC at various potencies. It is smoked or eaten to produce the feeling of being "high." The different strains of this herb produce different sensual effects, ranging from sedative to stimulant.

2. Q. Who Uses Marijuana?

A. There is no simple profile of a typical marijuana user. It has been used for 1000s of years for medical, social, and religious reasons and for relaxation. Several of our Presidents are believed to have smoked it. One out of every five Americans say they have tried it. And it is still popular among artists, writers, musicians, activists, lawyers, inventors, working people, etc.

3. Q. How Long Have People Been Using Marijuana?

A. Marijuana has been used since ancient times. While field hands and working people have often smoked the raw plant, aristocrats historically prefer hashish made from the cured flowers of the plant. It was not seen as a problem until a calculated disinformation campaign was launched in the 1930s, and the first American laws against using it were passed.

4. Q. Is Marijuana Addictive?

A. No, it is not. Most users are moderate consumers who smoke it socially to relax. We now know that 10% of our population have "addictive personalities" and they are neither more nor less likely to overindulge in cannabis than in anything else. On a relative scale, marijuana is less habit forming than either sugar or chocolate but more so than anchovies. Sociologists report a general pattern of marijuana use that peaks in the early adult years, followed by a period of leveling off and then a gradual reduction in use.

SCHEDULE E-6

5. Q. Has Anyone Ever Died From Smoking Marijuana?

A. No; not one single case, not ever. THC is one of the few chemicals for which there is no known toxic amount. The federal agency NIDA says that autopsies reveal that 75 people per year are high on marijuana when they die: this does not mean that marijuana caused or was even a factor in their deaths. The chart below compares the number of deaths attributable to selected substances in a typical year:

Tobacco.....	340,000 - 395,000
Alcohol (excluding crime/accidents).....	125,000+
Drug Overdose (prescription).....	24,000 - 27,000
Drug Overdose (illegal).....	3,800 - 5,200
Marijuana.....	0

**Source: U.S. Government Bureau of Mortality Statistics, 1987*

6. Q. Does Marijuana Lead to Crime and/or Hard Drugs?

A. No. The only crime most marijuana users commit is that they use marijuana. And, while many people who abuse dangerous drugs also smoke marijuana, the old "stepping stone" theory is now discredited, since virtually all of them started out "using" legal drugs like sugar, coffee, cigarettes, alcohol, etc.

7. Q. Does Marijuana Make People Violent?

A. No. In fact, Federal Bureau of Narcotics director Harry Anslinger once told Congress just the opposite - that it leads to non-violence and pacifism. If he was telling the truth (which he and key federal agencies have not often done regarding marijuana), then re-legalizing marijuana should be considered as one way to curb violence in our cities. The simple fact is that marijuana does not change your basic personality. The government says that over 20 million Americans still smoke it, probably including some of the nicest people you know.

8. Q. How Does Marijuana Affect Your Health?

A. Smoking anything is not healthy, but marijuana is less dangerous than tobacco and people smoke less of it at a time. This health risk can be avoided by eating the plant instead of smoking it, or can be reduced by smoking smaller amounts of stronger marijuana. There is no proof that marijuana causes serious health or sexual problems but, like alcohol, its use by children or adolescents is discouraged. Cannabis is a medicinal herb that has hundreds of proven, valuable therapeutic uses - from stress reduction to glaucoma to asthma to cancer therapy, etc.

SCHEDULE E-6

9. Q. What About All Those Scary Statistics and Studies?

A. Most were prepared as scare tactics for the government by Dr. Gabriel Nahas, and were so biased and unscientific that Nahas was fired by the National Institute of Health and finally renounced his own studies as meaningless. For one experiment, he suffocated monkeys for five minutes at a time, using proportionately more smoke than the average user inhales in an entire lifetime. The other studies that claim sensational health risks are also suspect, since they lack controls and produce results which cannot be replicated or independently verified.

10. Q. What Can I Do About Marijuana?

A. No independent government panel that has studied marijuana has ever recommended jail for users. Concerned persons should therefore ask their legislators to re-legalize and tax this plant, subject to age limits and regulations similar to those on alcohol and tobacco.

For More Information, Write:
Family Council on Drug Awareness
P.O. Box 71093, LA CA 90071-0093

This pamphlet was researched and produced as a public service by the Family Council on Drug Awareness P.O. Box 71093, LA CA 90071-0093

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BACH, PO Box 71093, L.A., CA 90071-0093
35 cents apiece, Ten for \$2.00, 100 for \$10

➤ **E-7 Critical Incident Reporting Policies and Procedures**

Critical Incident Reporting Procedures

Maine Department of Health and Human Services regulations require a dispensary to submit a department-approved incident report form on the next business day after it discovers a violation. The report must indicate the nature of the breach and the corrective actions taken by the dispensary. An "incident" includes:

1. Confidential information accessed or disclosed in violation of rules.
2. Loss of inventory by theft or diversion.
3. Intrusion of the dispensary.
4. Any other violation of the rules governing operation of the dispensary by DHHS.

Loss of Confidential Information

REMEDY employees are prohibited from giving out any confidential information at any time. What is overheard, seen or directly mentioned to them must not be told to others unless it is an issue that must be relayed to a manager. The following security safeguards for maintaining records and confidential information will be followed:

1. Identify all forms in which the information will reside and protect accordingly, whether it be an electronic file or other portable media. Restrict access password protection, disconnect from the network, and use file encryption. Label the file and the media "do not copy or reproduce" and maintain a record of files or media in a control log. The information is proprietary and cannot be reproduced in any form without the express approval of the owner.
2. If transmitted, use only internal transmission. Do not transmit on the Internet. Encryption end-to-end should be used.
3. Loss of confidential information at any time will immediately be reported to the Security Manager, the Executive Director, and the employees manager as soon as discovered, and an Incident Report Form will be completed as soon as possible. The form will be given to the REMEDY Compassion Center Security Manager for immediate follow-up with the Maine Department of Health and Human Services.

Loss of Inventory by Theft or Diversion

Inventory Discrepancies

Inventory policies and procedures are to be strictly followed. It is imperative that the cause of the discrepancy is determined. Inventory counts will be examined from plant to purchasing, meticulously noting any possible failures in our security. We will create a specific timeline of events and collect documented evidence in an attempt to understand the relationship of the contributory factors. A root cause analysis will be performed. Once we have determined the cause of the problem, corrective actions will be implemented to prevent its recurrence. Every detail of the discrepancy will be precisely documented. Inventory shortages as a result of theft or diversion will be documented in the Incident Report that includes the following information: the date, name of people involved, a description of the incident(s), identification of known or suspected cause(s) for the event(s), and any corrective action(s) taken.

Intrusion

Any unauthorized intrusion, in any department at any time, will be immediately reported upon discovery to REMEDY Compassion Center security staff, who will notify the REMEDY Security Manager and the REMEDY Executive Director. Intrusion attempts will be documented in the Incident Report that includes the following information: the date, name of people involved, a description of the incident(s), identification of known or suspected cause(s) for the event(s), and any corrective action(s) taken.

Other Reporting as Requested

REMEDY Compassion Center will provide the Department of Health and Human Services other reports as they may be requested from time to time.

Maximum Distribution Report

REMEDY will create a report to be reviewed by the Executive Director on a weekly basis that indicates caregivers with more than one patient who purchase the maximum amount for each patient. If the patient requests, REMEDY will contact them in the manner requested by the patient, whether by letter or email, informing them of every purchase made in their name by their caregiver.

Critical Incident Reporting Policy

The purpose of this policy is to outline the procedures for reporting:

1. Theft, loss, and vandalism of REMEDY Compassion Center property or private property located on REMEDY Compassion Center premises.
2. Malicious or unauthorized use of company equipment or facilities.
3. Allegations of employee misconduct.
4. Bomb threats to company facilities.
5. Assaults, attacks, molestation, or threats upon employees while on company property or in the performance of their work.

REMEDY Compassion Center assumes no general liability for employees' personal property, which may be lost, stolen, or damaged on company premises. Employees are encouraged, however, to report such incidents to the Security Department in accordance with this practice.

Critical incidents should be reported in order to:

1. Report the Critical Incident Report to DHHS
2. Provide information to Management for decision-making process.
3. Recover lost or stolen property and obtain restitution for losses.
4. Aid in the formulation of risk reduction practices, policies and procedures.

Critical Incidents include the following:

1. Any Security incident/law violation which may result in the dismissal or prosecution of employee(s)
2. False Alarm - Fire
3. False Alarm - Security
4. Arrest
5. Assault
6. Break & Enter
7. Burglary or attempted burglary
8. Confrontations between staff and members/public
9. Damaged Property
10. Disturbance
11. Diversion / Drug abuse / narcotics sale
12. Fire
13. Missing or Found Property
14. Media coverage of any REMEDY Critical Incident
15. Injury
16. Homicide / Weapons / Hostages / Sabotage
17. Explosions / Hazardous chemicals
18. Missing / Lost / Stolen Confidential Data of any kind
19. Misuse of company information and data processing where financial gain or damage to REMEDY Compassion Center is involved
20. Reports of Substance abuse or sale of narcotics on property
21. Robbery-Armed/Unarmed, or attempted robbery
22. Sexual Incident- Harassment/Assault/Obscene Call/Other
23. Suspicious Person / Circumstances
24. Theft or vandalism
25. Theft, forgery or alteration of REMEDY Compassion Center checks
26. Threat-Bomb / Other, received by staff, visitors or contractors
27. Trespass
28. Vandalism-Facility/Personal/Vehicle
29. Violation of any law on company premises
30. Violation of any ME DHHS dispensary rule (state which one)

REMEDY Compassion Center Critical Incident Report

Week of:

Incident	Sun	Mon	Tue	Wed	Thur	Fri	Sat	Week Total
Alarm								
Assault								
Break in/Burglary								
Confidential Info Breach								
Inventory Loss								
Fire								
Fire, explosion								
Intruder								
Sexual Harrassment								
Medicine Diversion								
Medical emergency								
Property damage								
Robbery								
Smoke condition								
Suspicious object								
Temperature								
Water leak								
Workplace violence								
Narcotics violation								
Weapons violation								
Other: (detail below)								
Other: (detail below)								
TOTAL								

Comments:

➤ **Criteria 1 Measure 1**

- The legal name of the corporation that is applying is:
Remedy Compassion Center, Inc.
- Articles of Incorporation are found in Exhibit A
- Corporate Bylaws are found in Schedule C

➤ **Criteria 1 Measure 2**

- The proposed physical address for REMEDY Compassion Center is:
932 US Route 2 East, Wilton, Maine 04294
- Both the Dispensary and the Marijuana Grow Operations will be located in the building.
- A letter of intent agreeing to the use and possession of the subject property, signed by the building owner, Kelly Dexter, can be found in Exhibit C.
- Information about the building can be found in Exhibit D.

➤ **Criteria 1 Measure 3**

- The town of Wilton, Maine has confirmed that the subject building is located in a commercial zone, which they deem "suitable for light industry, stores, lodging or similar businesses."
- 932 US Route 2 East is 1.3 miles from the nearest school, as shown in Exhibit E.
- The town of Wilton has approved a business permit for a proposed medical marijuana dispensary.
- An article in the local newspaper, the Daily Bulldog, entitled "Wilton Planners approve medical marijuana dispensary", highlights the Wilton Planning Board meeting on June 3, 2010, found in Exhibit F.
- Timothy and Jennifer Smale have submitted a Use Permit Application to the town of Wilton for a dispensary and cultivation at 932 US Route 2.
They expect to grant the permit at a Town Planning meeting on July 1, 2010, in which Timothy and Jennifer will attend.

➤ **Criteria 1 Measure 4**

REMEDY Compassion Center's 12,000 square foot new building at 932 US Route 2, in Wilton is totally enclosed and secure. The building does not adjoin any other buildings, and is set back from the road approximately an eighth of a mile with its own private driveway. The inside of the facility will not be visible from outdoors or from inside the dispensary. All medicine cultivation, processing, packaging, and inventory control will occur in the lower level, surrounded by concrete walls on three sides, and a solid interior wall on the fourth side.

All visitors, members and employees will park behind the building, which is level with the top story and not anywhere near the cultivation level. There is only one entrance into the dispensary and cultivation facility with security clearance required. Access to all areas will be strictly controlled by security through electronic and physical monitoring, and personnel are only

allowed into pre-authorized areas. Staff will wear visible photo IDs at all times, and will be granted or denied entry into sensitive areas through biometric locks on doors. Panic buttons will be located at security, at the sales counter, and in the cultivation area which if pressed will sound an alarm and notify police in the unlikely event of a breach in security.

The building will have lights on the exterior that illuminate all four sides of the building, the parking areas and the driveway. Lights will not disturb neighbors, as only commercial buildings are located near the property. The driveway will be gated during non-business hours and monitored by security.

The facility will be a "closed" system employing strictly controlled temperature and humidity systems, negative air pressurization, and exhausted air will undergo carbon filtration and ozone treatment to neutralize the telltale odors associated with healthy, growing plants.

Small amounts of cannabis will be transported from the downstairs vault directly into a secure inventory control zone, where daily inventory that is not displayed on the sales floor will be secured in a locked safe. Medicine will not leave the building except when being dispensed to legally qualified patients and caregivers using our secure trip-ticket delivery system, with no exceptions. Our facility was purposefully selected to house both the dispensary and cultivation in order to eliminate the security risks of transporting thousands of dollars of cannabis from the cultivation facility to the dispensary on a regularly scheduled basis. Our personnel will never be put in such a dangerous position, untrained and ill-equipped to deal with the level of criminal activity that may seek out such weak points. We also believe that quality medicine must be grown indoors to eliminate pest and contamination threats.

Based on tested security measures learned from firsthand experience in actual medical cannabis dispensaries, our security system will offer the best protection available. The most sensitive areas, entryways, hallways, and workspaces will be continually monitored and recorded via intrusion detection devices and surveillance cameras. We will create and review the audit trail produced by our security system software on a daily basis, and visitors will be allowed access only if approved in advance by the Executive Director and personally escorted by an authorized employee and/or security.

Our complete Security Plan and Policies and Procedures including specified equipment is fully described in Exhibit G.

➤ **Criteria 1 Measure 5**

The name, address and date of birth for each principal officer and board member are as follows:

Timothy M. Smale

- President/CEO Board of Directors, Remedy Compassion Center, Inc.
- Address: [REDACTED]
- Date of birth: [REDACTED]

Jennifer R. Smale

- Vice President/ Secretary Board of Directors, Remedy Compassion Center, Inc.
- Address: [REDACTED]
- Date of birth: [REDACTED]

Peter A. Phelps

- Treasurer, Board of Directors, Remedy Compassion Center, Inc.
- Address: [REDACTED]
- Date of birth: [REDACTED]

➤ Criteria 1 Measure 6

The following people have direct or indirect authority over the management or policies of REMEDY Compassion Center:

- | | | |
|----------------------------|----------------------|---|
| • <u>Timothy M. Smale</u> | (direct authority) | Board President and Executive Director |
| • <u>Jennifer R. Smale</u> | (indirect authority) | Board Vice President/ Secretary
and Director of Patient Services |
| • <u>Peter A. Phelps</u> | (indirect authority) | Board Treasurer |
| • <u>Kelly Dexter</u> | (no authority) | Building owner |

➤ Criteria 1 Measure 7

REMEDY Compassion Center will lease the site property from Kelly Dexter, who owns the property. No creditors hold a security interest in the premises.

➤ Criteria 1 Measure 8

Please see the signed cover letter and completed application.

➤ Criteria 1 Measure 9

REMEDY is focused on the people we serve, not necessarily just the medicine, as is often the case in medical cannabis dispensaries, as we have seen from firsthand experience. The medicine is merely the means by which patients achieve a better quality of life. Our goal is to give patients and caregivers the best experience possible, and make REMEDY a rewarding place to work. We can only do that successfully if we manage the business well, especially the finances. The REMEDY Compassion Center team has expert knowledge and are emerging leaders in the industry with firsthand experience working in and consulting to medical cannabis dispensaries. We have a team of four people starting the organization with a high level for-profit and nonprofit experience and a combined seven college degrees, three of which are master's degrees, and one of which is a Certified Public Accountant (CPA). Our mix of talent includes a high level of expertise in human resources, finance, operations, quality improvement, manufacturing, distribution, public speaking, writing, marketing & PR, and graphic design. Our experience is real, and our commitment to this cause is evidenced by our work. We are motivated to make a positive difference in this world, and believe that we have the expertise to do so. Coupled with the funding commitment necessary to take on this project, we are motivated by compassion and the drive to be the best at what we do. We will follow our plan to serve others and successfully

operate the organization on a long-term basis, with the Executive Director closely managing cash flow and other key indicators of performance on a daily basis. The Board of Directors will have significant involvement and oversight over the financial performance of the organization, inherent due to their high level of expertise in financial matters and analytical skills.

REMEDY Compassion Center will be funded by \$500,000 in a combination of debt and equity from committed investors Mark Hall and Peter Phelps, who also bring a wealth of financial knowledge to our team (see resumes, Exhibit H). They have provided a letter of intent, (Exhibit I), to support their long-term financial commitment. They are successful entrepreneurs and have access to substantial wealth and investment to fund the project requirements. If personal financial statements to support this equity contribution are required, they will provide the information confidentially, outside of this application process, in order to prevent public disclosure of private information.

Executive Director Timothy Smale's vast business knowledge (see his resume, Exhibit H) and first-hand experience working in the medical cannabis dispensary business will help REMEDY get it right the first time, eliminating costly mistakes. Together, Timothy and Jennifer Smale turned around a national nonprofit trade association of 600 members from near bankruptcy to a highly successful organization in just one year. Hundreds of medical cannabis patients will benefit from these same talents because the organization will be financially sound enough to give abundantly more back to them as the non-profit organization grows, projecting almost \$700,000 in free or discounted medicine dispensed to legal patients and caregivers by 2014.

The management of REMEDY Compassion center believes that we are only as good as our staff, and it is imperative that we find the right people to be on our team. Our plan is to start with a core staff of ten by opening day, and continue to grow to 21 people by the end of 2011. Management payroll costs were estimated using averages as reported in 2008 in the Report on Nonprofit Wages & Benefits in Northern New England, by the Maine Association of Nonprofits, and found at <http://www.nonprofitmaine.org/documents/08SnapShot.pdf>, and scaled appropriately for staff.

REMEDY relies on sound financial projections, and our firsthand experience is solid, giving us the ability to use real data based on our experience writing business and financial plans for numerous medical cannabis dispensaries. The projected financials in our Business Plan shows a full five years of monthly data, linking patient population calculations, sales, profit and loss, cash flow, personnel, startup plan, and balance sheet in one spreadsheet. This is used to further manage our monthly budget, especially cash flow, the lifeblood of any organization. Our estimates, conservative by many standards, are based on actual sales and cost data gleaned from our experience, and give us increased confidence that our plan is sound.

Income estimates

The average purchase in a medical cannabis dispensary is between \$85 and \$100 per visit, depending on seasonality and other factors; we have lowered that number approximately 25% for the Maine market. Most patients visit two to three times per month to purchase medicine. We agree that patients need low-cost medicine, but diversion to the black market will occur if prices are too low, too soon. We encourage a responsible approach to market prices, and advocate setting prices no lower than 80% of current market price at start-up.

City or Town	2011	2012	2013	2014
District 3 Total Population plus 10% from neighboring counties.	218,350	218,350	218,350	218,350
Average MM patient base nationwide	1%	1%	1%	1%
Expected Total Patient Base	2,184	2,184	2,184	2,184
Reduction Factor (% of expected base)	21.8%	25%	30%	35%
Net Expected Patient Base	476	546	650	764

Future patient numbers are based on estimates that one percent (1%) of the total population nationwide will require medical cannabis for legitimate medicinal purposes. Given the population of District Three plus ten percent of neighboring counties is 218,350, we estimate there are 2,184 patients in our area. We conservatively estimate that just over 20% of that one percent of the population will register with the state and designate REMEDY Compassion Center as their source of medicine. The above chart indicates that we expect to have 476 patients by the end of 2011, with the number steadily increasing over time.

We anticipate a slow ramp-up in patient numbers since many physicians are not yet educated about cannabis as a medicine and may be hesitant to write recommendations. That will change over the course of our first year as REMEDY Compassion Center and legitimate patients provide them with the scientific data and educational seminars and materials they need to make an informed decision. We expect that there are many patients who have not “come out of the shadows” yet, but will soon with Maine legitimizing their access to medicine. If allowed by rules and regulations, REMEDY will pay patient’s \$100 state registration fee for those who cannot afford it. With the recent groundswell of support in the nation to recognize patients’ need for medical cannabis, the majority of states with or nearly with medical cannabis laws, and the overwhelming majority of Americans in favor of rescheduling cannabis as having medicinal value, there will be a significant increase in our patient base over time.

As our financial projections indicate, we expect REMEDY Compassion Center to break even in June of 2011. Once the initial build-out and start-up costs are paid off, we can afford to reinvest into expanded member services to include more financial support and community-based programs. As we learned from our experience with the non-profit collective WAMM (Wo/Men’s Alliance for Medical Marijuana, see Exhibit K,) seriously ill patients are often in need of social interaction amongst an understanding community. Our facility will include a cheerful community room and library, outside of secure areas open only to patients, caregivers, and staff, that will be a comfortable environment for patients, caregivers, the medical community, and the public to learn how to improve their quality of life.

REMEDY Cares Program

REMEDY Compassion Center realizes that many medical cannabis patients can no longer work due to their illness and hence are living in poverty. They are often home-bound and do not have the means to acquire their medicine. REMEDY’s mission is to provide safe access to medical cannabis for any registered Maine cardholder in need. In order to eliminate disparities in access for patients with low or no income, we have created the REMEDY Cares Program. Members of

the Cares Program will receive one free gram of medicine per week, and may purchase additional medicine at significantly reduced prices.

In order to be considered for the program, patients must be a current cardholder in Maine's Medical Marijuana Program. If they cannot afford the registration fee, we will pay the fee for them. Patients will be required to complete a REMEDY Cares Program registration form that includes information on their income and expenses, preferred method of consumption and medicine needs. They will be asked to provide documentation such as W-2s, SSI checks and/or pay stubs. This form will help REMEDY's staff determine if the patient qualifies for the program. The need assessment method used by REMEDY to calculate whether patients qualify for the Cares Program will be modeled after a standardized data analysis formula that is used by local community assistance programs. Membership in the program will need to be renewed every six months.

REMEDY Cares Donation Program

The REMEDY Cares Program will offer a trusted system for patient and caregivers to donate their excess cannabis to other member patients who cannot afford medicine.

Donors will be assigned a unique number and asked to complete a Cares Donor form, including their name and a telephone number or email address. Subsequent donations will be logged on the form when received by REMEDY. We ask that their donation is contained in clear, sealed bags no larger than one gallon in size. Each bag must be accompanied by a "Cares Donation" Information sheet, identifying the date harvested, donor's identification number, the growing method used, strain information, any concerns worth noting, and a signature attesting that the contents are unadulterated. Each bag will be assigned a Cares lot number and logged into the Cares Donation Record.

In order to assure that the cannabis is unadulterated, the provided medicine must meet certain standards and undergo a thorough inspection. It must be in bud or budlet form and free of stems and twigs in order to ensure that no other plant material has been introduced. The donated marijuana will be stored in quarantine until inspection. Sample buds will be broken apart, magnified and inspected for mold, fungus, insects and foreign material and smelled to detect odd or chemical odors. Findings will be submitted on the Cares Donation sheet and the Cares Donor form.

Accepted cannabis will be processed and packaged into gram bags and labeled as a Cares Donation including the Cares lot number. The package will also include a disclaimer explaining that REMEDY did not cultivate the contents and therefore cannot attest to its quality. The Cares Donation sheet identifying the donor identification number, harvest date and strain will be made available to the recipient upon request.

Unaccepted cannabis will be properly disposed of and the donor will be informed that the medicine will not be distributed and why. We will invite them to continue to donate in the future and advise them about the standards that must be met in order for their donation to be accepted.

Care donation recipients will have an opportunity to thank anonymous donors by making an entry in the "Thanks for your Donation" log. Donors will be advised to review the log periodically to receive recognition for their kindness.

➤ **Criteria 2 Measure 1**

- Location: Wilton (Farmington) Maine, District 3
- A road map of the Wilton/Farmington area and an aerial view of proposed location are on Exhibit L.

We chose to locate Remedy Compassion Center in Wilton/ Farmington because it is conveniently located in rural western Maine. We chose not to locate in the more populated cities of Lewiston/Auburn in District three because patients in that area will be near the Cumberland district, and likely the Midcoast, Central and York district dispensaries as well. Locating Remedy Compassion Center in the Farmington community helps DHHS achieve their goal of dispersing facilities around the state for the convenience of patients. Wilton/ Farmington is the 2nd most populated area in District three with an estimated 9,000 residents between them, and about 3,000 people commuting into Farmington each day.

Remedy Compassion Center's proposed location is at on US-2/ ME-4 in Wilton, Maine, a major thoroughfare near the intersections of state routes 27, 43, 133 and 156, with approximately 20,000 cars passing by each day. The building is set back from the road in a private, secluded and serene setting. Centrally located in the middle of Rumford, Skowhegan, Livermore, Phillips, Rangley, Paris, Jay and Norway, and only a few miles from both Farmington and Wilton downtowns, this facility was chosen primarily for its convenience for patients in western Maine.

The proposed location is approximately one mile from Franklin Memorial Hospital and Franklin Health Commons, with approximately 50 doctors and surgeons nearby. Hannaford, Walmart, Sears, four banks, and many other popular retail businesses frequented by residents are located just a few miles away. Those traveling through the area to visit the many popular outdoor destinations in western Maine will pass by our doors, especially those on the way to ski resorts.

Patients and caregivers who are not able to travel may take advantage of our safe and convenient delivery service. Being located in the Wilton/ Farmington area will allow us to more effectively cover our entire district of three counties. Patients can easily check our inventory and place their order for pick-up or delivery online.

➤ **Criteria 2 Measure 2**

REMEDY Compassion Center has estimated the number of patients and caregivers who will designate us as their primary compassion center on a month-to-month basis, increasing both number of visitors, frequency of visits, and amount dispensed over time, as shown on the patient ramp-up table in Criteria 1 Measure 9. This forms the basis for our cultivation production plan, using techniques CEO Tim Smale acquired during his many years in manufacturing and distribution. REMEDY's production plan is driven by patient and caregiver demand, triggering production adjustments as we forecast our dispensing and delivery needs 90 days out to allow for harvesting, drying, and curing time. Our supply of new plants going to vegetative state, flowering, harvest, drying, curing, and processing will be driven by patient demand, estimating dispensing needs based on actual performance as measured in our POS system. Our cultivation-to-dispensing process will ensure that patients and caregivers will always have an ample supply of quality, safe medicine available.

The initial production cycle, from planting of seeds to having dried, cured cannabis flowers for dispensing will take approximately four months; one month for seeding to vegetative growth, and three months for cultivation, harvest, drying, curing, and processing. Cultivation will be divided into three main departments; clones, and mother plants in a vegetative, growing state; and mature plants in the approximately 60-day flowering cycle. Cultivation will begin from seed once we receive our certificate of registration as an authorized, licensed dispensary.

A significant portion of our 6,000 square foot indoor, climate controlled, sanitary cultivation facility will be dedicated to growing seedlings and growing them into hearty plants. Initially we'll place the 12 plants allowed in the flowing room and add six more as we acquire more patients. Careful inventory will be taken to match the number of plants to patients, adjusting quantity down within 10 days if our patient count is reduced. The desired female plants will be separated from the male plants, which will be destroyed before they pollinate the females, lessening the potency of the medicine and producing unwanted seeds. Hearty female plants showing desirable properties will be allowed to continue flowering, taking clones from them to create a continuous cycle of known quality strains; these will be known as our mother plants, creating generations of like kind plants.

We will provide a steady supply of medical cannabis to registered patients by cultivating using a perpetual harvest method. REMEDY will cultivate batches of medical cannabis to provide small harvests on a weekly basis. Each week, REMEDY will plant a new batch to replace the harvest. This will provide patients a constant, steady supply of medical cannabis and keep cultivation and prepared medicine within allowable limits.

Estimated time from registration to full operation

REMEDY will be ready to dispense medical cannabis to our patients no later than December 15, 2010. Our start-up plan timetable, shown in Exhibit L used the Critical Path Method to estimate overall project time from licensing to full operation, and the assumptions used for the basis of those estimates.

We estimate that it will take approximately four weeks from the time we get our license to the commencing of build-out. Our new two-story 12,000 square foot facility is owned by a building contractor who also owns a building supply business next door. He is interested in building out the property to suit our needs.

Extensive knowledge of organic cultivation methods

REMEDY Compassion Center members will receive high quality, safe medicine that is grown organically and free of pesticides and chemical residue. Cultivation will be closely supervised by Executive Director Tim Smale who has been cultivating his own medicine for 10 years and takes a stand against the use of harmful pesticides and non-organic methods, knowing first-hand the harmful effects of poorly cultivated cannabis.

Our Cultivation Manager will follow strict guidelines and procedures, as shown in the Appendix. The Cultivation Manager will be responsible for assuring the garden is 100% organic, chemical, and toxin free. REMEDY will use a variety of mediums, including indoor organic soil-less, organic soil, and hydroponics. Utilizing only organic products for crop protection, fertilization,

growth regulation, sanitization, media and amendment, we can be assured that no chemical residues will come in contact with medicine.

Organic methods, though required under rules, is actually beneficial in three ways: medicine is safer for human consumption, flavor and aroma is improved, and organic fertilizers encourage hardy growth because they are not absorbed as quickly by the plant as synthetics are. Our Policy and Procedures state that all products used in our facility must have either a registered USDA National Organic Program (NOP) number or OMRI (Organic Materials Review Institute) approval.

Creating a healthy growing medium is critical to the success of an organic grow. Organic fertilizers not only feed the plants, but also fortify the soil/ soil-less medium and increase uptake of water and nutrients. Organics also promote the growth of beneficial microbes, organisms, and bacteria for better root development and abundant growth. Organic nutrients are more difficult for the plant to break down and uptake than synthetic chemicals, and need to be broken down by soil microbes. Beneficial microbes and bacteria can be introduced to the medium to help with that.

Besides using organic medium and nutrients, REMEDY will only use organic combative methods to protect the plants. This includes the introduction of predatory insects (such as ladybugs), beneficial bacteria (Gnatural larvicide), natural fungicides, mildewcides, algacides, and virucides as needed.

Growing quality cannabis

REMEDY Compassion Center will ensure the highest quality medicine will be produced by closely following our Growing and Cultivation Policies and Procedures, (Schedule E-2) which outlines our industry best-practices, and high quality standards. We will take strict measures to avoid contamination by housing our cultivation, processing, and packaging facilities on the ground level of a new building. This allows us the opportunity to start with a sanitary facility using only organic cleaning products and keep it that way. Strict measures will be put into place to avoid contamination. This includes a decontamination process for shoes and clothing prior to entering the facility, wearing gloves and hairnets, REMEDY issued clothing and footwear, and closely controlling our laundry processes. All surfaces and equipment in the facility will be sanitized using organic cleaning products on a regular basis, as specified in our procedure manual. Every effort will be made to ensure there is no opportunity for contamination to occur, whether by mold, fungus and insects, human, or any outside influence. REMEDY will fully participate and support the adoption of industry standards. Executive Director Tim Smale served on the board of directors of a national standard settings body that created safe auto glass installation practices to protect the public from harm and knows the value of proactive self-policing industry practices.

Medicine in all stages of growth will be checked continuously for mold, fungus or insects. Any sign of contamination triggers an immediate response. First the afflicted plant(s) will be removed in a sanitized, enclosed, brightly marked Quarantine Cart that will protect other plants while in transit. Next, we will evaluate the extent and nature of the contamination and determine an organic remedy. Finally, we must determine the root cause and solution using a Total Quality Improvement process called the 10-Step Problem Solving Model, which is widely used in manufacturing and distribution to improve quality. Plants will continue to be inspected on their

normal daily schedule and a Yellow Alert Notice will be in effect for all staff having cultivation, processing, and packaging responsibility until the root cause is found and corrected. While these measures may seem extreme to most growers today, the hallmark of REMEDY Compassion Center will be the quality of our medicine along with the quality of our patient care.

REMEDY's cultivators will endeavor to stabilize cannabis strains to produce consistent levels of cannabinoids that our patients can rely on for consistent dosing. Every strain will be tested for cannabinoid levels as soon as a laboratory makes the service available to us here in Maine, since we cannot transport cannabis across state lines. The equipment and methods used, such as gas chromatography, high performance liquid chromatography, polymerase chain reaction, and enzyme linked immunosorbent assay is prohibitively expensive for the volume we will be testing. Measuring THC and CBD levels will allow us to select the mother plants most likely to produce medicine within tolerance. Further, we can somewhat control the levels of THC and CBD by harvesting plants slightly before or after peak flowering. Our experienced cultivators will know the plants well after three to four months and will be able to determine the best time to harvest.

Consistent tincture, edible and lotion recipes will ensure dependable dosing and proper medicinal strength within pre-set tolerances. Packaging will clearly indicate the dosage based on the amount of active ingredient in the recipe. Flowers will be packaged in custom airtight, high quality resealable zip-lock style bags, and labeled with the strain and cannabinoid levels. Edibles beyond their expiration date and contaminated medicine will always be destroyed. Flowers that do not meet our quality appearance standards, but safe and effective nonetheless, will be used in edible, tincture and lotion preparations.

Cultivating only the best strains of cannabis indica and cannabis sativa

Medical cannabis comes in two different forms; indica and sativa, explained in our educational materials, ("Indica vs. Sativa", Schedule E-6). They have been cross-bred over the years to produce specific blends that can target relief for certain ailments. For example, a relatively unknown strain called "Soma A+" has higher levels of the cannabinoid CBD, which is an effective anti-inflammatory and pain reducer. Conversely, it has low levels of THC, so patients can avoid unwanted psychoactive effects. Since indica strains are good for some ailments and sativa is better for others, we will offer both pure strains and combinations of the two. We will ask patients to provide us with feedback on what strains work best for their ailment and pass on the anonymous information to other patients. The search for the right medical cannabis preparation, whether it be in selecting strains or using a particular delivery method, is a highly individualized choice. Assisted by our experts, patients and caregivers can better treat ailments with recommended products.

Medical cannabis will be dispensed in the following forms:

1. Dried, cured, and flavorful cannabis flowers for smoking and vaporizing
2. Cannabis-infused glycerin tinctures for sublingual (under tongue) delivery
3. Cannabis capsules for ingesting
4. Cannabis-infused butter and cannabis-infused oil for food preparation
5. Foods prepared with cannabis-infused butter and cannabis-infused oil
6. Cannabis-infused isopropyl alcohol spray for topical application
7. Cannabis-infused skin cream for topical application.

We will acquire strains known for particular medical properties, as shown below. From our experience visiting many dispensaries on the west coast, we learned about some highly effective strains that are not commonly found on the east coast, such as Tahoe OG, Larry OG, and Headband. Indicas will make up approximately 40% of our inventory, Sativas 20%, Indica dominant hybrids 15%, Sativa dominant hybrids 5%, and equally mixed hybrids 20%. The indicas are generally more desirable for acute pain as they provide outstanding pain relief and induce a more relaxed state of mind than sativas.

Most patients, especially mature ones, find strain names confusing and sometimes downright scary. “Jack the Ripper” sounds like it should be avoided, not necessarily a respected name for medicine. REMEDY seeks to create an environment that removes non-medical associations with cannabis, and instead cultivate an environment that will make the process of selecting medicine more clear and accessible. To remove confusion surrounding strain names, we will create an identification system based on actual data obtained from our patients that will make the process of selecting the appropriate medicine much easier for our market. Every mother plant will be assigned a unique REMEDY name, such as “Remedy #1”. The Remedy name will remain consistent for all clones produced from the mother plant and its products will be clearly labeled along with the actual strain name. Patients and caregivers can be confident that when they administer Remedy #1, they know what dosage is appropriate and the effect they can expect. Remedy #1 will be available in all forms of delivery from dried flower to a skin cream. REMEDY will be conducting ongoing surveys to determine which strain and form is best for which ailment, for instance, Remedy #4 skin cream may be most effective for arthritis.

Strains that REMEDY intends to cultivate *(not all will be available at startup):***Sativa dominant strains:**

1. Sage - epilepsy, multiple sclerosis, and other seizure related illnesses.
2. Sour Diesel - neurological disorders.
3. Jack Herer, Sensi Seeds Genetics: Haze x (Northern Lights#5 x Shiva Skunk)
- neurological symptoms, chronic pain, migraine, anti-nausea, PTSD.
4. OG Kush, Genetics - neurological symptoms, chronic pain and anti-nausea.
5. Silver Haze, Sensi Seeds Genetics – Crohn’s disease and neurological conditions.
6. AK-47, Serious Seeds Genetics: Sativa 65%/Indica 35% - anxiety disorders.
7. Headband – migraine, anti-nausea, PTSD.

Indica dominant strains:

1. Heavy Duty Fruity - physical injuries and chronic pain.
2. A-Train - chronic pain, appetite stimulation and decreased ocular pressure.
3. Bubblegum - muscle spasms and gastrointestinal relief.
4. Four Way, Sensi Seeds Genetics: Indian x Afghani x Pakistani x Skunk#1
- contains high levels of CBD
5. Purple Kush, Flexible Seed Banks Genetics - chronic pain
6. Marley's Colley, Sensi Seeds Genetics: Jamaica x Afghanistan - chronic pain
7. Hash Plant, Sensi Seeds Genetics: Hash Plant x (Hash Plant x Northern Lights #1)
- chronic pain, sleep disorders
8. Tahoe OG - chronic pain, sleep disorders.
9. Larry OG - chronic pain.
10. True Blueberry- chronic pain and inflammation

➤ Criteria 2 Measure 3**Extensive experience with Non-Profit and Cannabis Organizations:**

Remedy Compassion Center represents the culmination of many years of education, experience, and planning for founders Timothy and Jennifer Smale. Their life mission is to serve medical cannabis patients in a true non-profit community model, focusing on fulfilling patients' needs while providing them with educational and supportive resources in a warm, caring environment and improving their quality of life. Here's their story of how these ideals were formed and how their life experiences have perfectly prepared them for operating Remedy the way a non-profit should be:

After years of success climbing the corporate ladders of Fortune 200 companies and small businesses, Timothy and Jennifer stepped away from the for-profit world to do something more meaningful with their expertise. Together they managed the Independent Glass Association, the nation's largest automotive glass non-profit trade association, helping thousands of "mom-n-pop" glass shop operators compete against the unfair advantages of the national chains. Finding non-profit work more rewarding, they now want to use their experience to create a non-profit that is successful, respected, and serves patients first.

To fulfill their dream of serving others while exploring by sail, they cruised the coast of Mexico, where they spent time consulting a non-profit organization called Families at the Dump in Puerto Vallarta. The organization feeds, clothes, and educates hundreds of families in poverty, offering them a better life for generations to come. This experience further confirmed their conviction that life is more fulfilling when committed to the service of others.

As a medical cannabis patient and caregiver, Timothy and Jennifer understand the pain of fellow patients who suffer from not having safe access to an effective medicine. It seemed like a perfect fit for them to open their own non-profit medical cannabis dispensary.

Last year Tim and Jenna left their home in Maine to live aboard their sailboat in Oakland, California to work for Harborside Management Associates (now CannBe) and learn more about the medical cannabis dispensary business. CannBe was created by Steve DeAngelo, founder of the world's largest non-profit medical cannabis dispensary, Harborside Health Center (HHC), and four other respected dispensary operators including Robert Jacob of Peace in Medicine

(PiM), who later became CannBe's CEO. This new company was formed to duplicate HHC and PiM's model of community-friendly non-profit cannabis dispensaries. Tim and Jenna's roles as General Manager and Start-up Manager respectively were to develop the company's policies and procedures, hire employees, and create a system to open medical cannabis dispensaries across the nation. Desiring to learn the full spectrum of the industry, they traveled on their own time to many different cannabis dispensaries in California to study what would work well for their own future dispensary. They also spent time with Valerie Corall at WAMM (Wo/Men's Alliance for Medical Marijuana) in Santa Cruz, CA, featured in Mainer Wendy Chapkis's book "*Dying to Get High*", and well respected for its compassionate medical cannabis collective model. First-hand experience seeing how extremely ill patients can benefit greatly in more ways than just safe access to medicine helped the Smales understand Ms. Corall's motto- "it's about the people, not the pot." Their visit with WAMM convinced Tim and Jenna to follow their heart and apply themselves to putting patients needs first at REMEDY Compassion Center.

Extensive Business Experience

Together the REMEDY team has 120 years of professional non-profit and for-profit, hands on, successful business experience. All four people have business degrees, and three have master's degrees, 2 of which are MBAs. Focused on serving patient needs, our team has a unique mix of talents and business experience to be successful and represent the industry with professionalism and sensitivity to all stakeholder needs, from patients to townspeople, from government leaders to law enforcement.

Below are highlights of the Remedy team's most applicable business experience, with a more complete description found on their resumes in Exhibit H.

Management Team Profile:

- 4 professional businessmen/ woman
- Non-profit experience: 30+ years combined
- Business experience: 120 years combined
- Business education: 7 Business degrees
- 3 Masters degrees

Timothy Smale – Board President & Executive Director

- BS degree in Business from the University of Toledo
- MBA from Bowling Green University
- 30 years nonprofit and for-profit business experience across multiple industries, focusing on human relations, finance, sales, operations, manufacturing & distribution, retail, training and development, and quality management.
- Recognized industry leader, public speaker, and accomplished writer.
- Board of Directors- Automotive Glass Replacement Safety Standards Council – a non-profit national standard setting body using ANSI methods to create industry standards
- As General Manager of Harborside Management Associates/ CannBe in Oakland, CA, Tim developed a cohesive Board of Directors and led the company from start-up to 16 employees and six clients in just nine months.
- As CEO of the Independent Glass Association, a non-profit small business, he managed all aspects of the company, transformed a struggling group of business owners into a productive Board of Directors, ran a national convention and trade show, and developed seven new programs and services.

Jennifer Smale – *Vice President/ Secretary, Director of Patient Services*

- BS degree in Small Business Management from the University of Vermont
- 25 years of non-profit and for-profit business experience
- As Start-up Manager of Harborside Management Associates/ CannBe, she developed systems and processes to streamline procedures, spoke to hundreds of existing and potential medical cannabis dispensary operators, created databases, and hired and trained staff.
- As Marketing Director of the non-profit Independent Glass Association, Jenna was the perfect compliment to CEO husband Tim's talents. Her graphic design skills created brand identity and developed all the marketing materials in-house. She also developed an elaborate member database and membership renewal system.

Peter A. Phelps – *Board Treasurer*

- BS degree in accounting from the University of Maryland
- MBA from George Washington University
- Member of the American Institute of Certified Public Accountants
- Member of the Massachusetts Society of Certified Public Accountants
- Volunteer for the Mahoosuc Land Trust for the past 5 years and current member of its development committee.
- In-depth, hands-on experience with all aspects of a company's financial management including budgeting, forecasting and cash flow analysis; internal control policies and procedures; supply chain logistics and cost accounting; operational audits; FASB, GAAP and SEC financial reporting; revenue recognition; merger and acquisition due diligence and integration; financial system selection and implementation; as well as audit preparation and management.
- Over 25 years experience with technology, financial services, turnarounds, and alternative energy, manufacturing and real estate companies ranging from startups to large public organizations.
- Skills and experience span accounting and finance, financial control/reporting, international operations, debt and equity capital raising, sophisticated business modeling, operations optimization (cost accounting), business valuation, business development, tax, and IT (various accounting systems from QuickBooks to Great Plains/Dynamics to Oracle Financials).
- Experienced in helping clients raise venture capital, later stage growth equity, secure bank and lease financing, complete acquisition due diligence and integration and provide support in their operations management and strategic planning.
- Experienced in implementing practices and procedures that enhance efficiency and control, and in selecting and installing financial software systems.

Mark Hall – *Investor*

- BS from University of Massachusetts
- Master's Degree from Suffolk University.
- Senior Vice President and Director of Hunneman Capital Group since 1990. Mr. Hall possess a wide range of knowledge, skills and experience in real estate investments, management and development, finance and capital market transactions.

- Former Senior Vice President and Partner at Howland Development where he was responsible for the acquisition and development of over 1,000,000 square feet of commercial real estate.
- Former Vice President at First Winthrop where he was involved in the syndication of over \$800 million in commercial and residential real estate.
- Since 1975 Mr. Hall has served as an elected official on a number of community and regional planning boards including Billerica, Essex and the North Middlesex Planning Commission.
- Mr. Hall has been traveling to the Dominican Republic for the past 15 years where he has been active in promoting trade and investments for American companies such as GE Capital, Airport Group International, Willowbend Development (affiliate of Reebok International) and Starwood Financial.
- Member of international delegation whose mission was to observe the national elections which were held in 1994.
- New England-Latin American Business Council (NELABAC)
- Former member of NELABAC promote and facilitate the development of business and investment opportunities between New England and Latin America.
- Volunteer and humanitarian aid worker in the Dominican Republic with various churches, such as the Sisters of Charity and San Feline Church in Puerto Plata. Projects included construction of a primary school in Los Alcarrison.

➤ **Criteria 2 Measure 4**

Inventory Policies and Procedures to discourage unlawful activity

The Inventory Department has great responsibility for keeping REMEDY in full compliance with the Maine State Law. We must precisely monitor inventory to stay within the maximum amounts allowed by law according to current patient counts. Proper inventory procedures will also reduce the incidences of internal inventory loss. See Schedule E-3 for Inventory Policies and Procedures.

Every gram of medicine will be accounted for, and recorded at each step along the way from beginning to end, through cultivation, harvest, drying, curing, processing, packaging, and dispensing. Medicine will be stored in a time-lock vault accessible only by authorized managers, with three concrete walls and a high level of security devices protecting access. Approximately a one-day supply of medical cannabis will be available for dispensing and the rest will be kept in the vault. Two persons will provide checks and balances by verifying weights at each step in the process and recording them according to our Inventory Policy and Procedures.

Harvesting, drying, and curing will use a tracking system to weigh the plant at each stage and record the information in order to help predict inventory levels based on experience, matching quantity to patient numbers to stay within allowable limits. Medicine transported to processing from drying and curing will be weighed using a calibrated triple beam scale and the weight in grams is measured and recorded on forms, with any discrepancy reported immediately to the Processing Manager. The Processing Form accompanies a particular batch of medicine throughout the process, whether it is processed or not. As medicine is processed following our policies and procedures manual, some byproduct will naturally fall, and this is to be expected

within a range. Our tolerances are no more than 1 gram per eighth of an ounce, and 6 grams of byproduct per ounce of medicine. Byproduct is good medicine that will be used for making edibles, tinctures and lotions. Again the medicine is weighed and recorded after packaging, including byproduct, then placed into inventory control, and the POS system, where an incoming weight is recorded. The process continues throughout so that we have the ability to know at any moment in time how much medicine we have and where it is located, so that we can stay within the limits and also plan production better. Using specialized forms created for the process, we will account for shrinkage, damage, contamination, and samples. We will conduct a physical inventory each month using our inventory count policy and procedure in order to ensure accuracy and accountability, and maintain shrinkage to less than 2%, which is an industry best-practices standard.

Maintaining inventory controls throughout the production allows us to determine if there is any marijuana missing, which would immediately signal an investigation. If necessary, video surveillance records can be accessed to determine where the missing marijuana went.

Quality Control Policies to discourage unlawful activity

REMEDY Compassion Center will be extremely cautious about setting prices that will discourage unlawful activities of the black market marijuana trade. We will be growing high quality medical-grade cannabis that is far superior to the marijuana that is available from the black market. Our quality control measures warrant a higher price for the medicine we produce. If we price our marijuana too low, it may invite unlawful diversion practices. Patients may be tempted to buy lower cost marijuana from REMEDY and resell it to unqualified recipients at the higher black market prices for a profit. Therefore, we will diligently monitor current street prices and make every effort to provide low cost medicine to patients while remaining vigilant about the possibility of diversion.

Security Measures to discourage unlawful activity

Safety is a top priority at REMEDY Compassion Center, and we will spare no expense or effort to ensure that patients, employees, visitors, and our community are kept from harm's way at all times. REMEDY Compassion Center's security plan is based on deterring threats before they occur through a highly capable and visible security staff, and security equipment. Unlawful activity will be prevented through the use of metal detectors, cameras mounted in plain sight, outdoor lighting, security warning signs, access control policies and systems, surveillance monitoring, intrusion detection, alarm monitoring service, and biometric (fingerprint) locks. We will store all medicine, money, and other valuables in a secured vault. A critical feature of the security plan includes a comprehensive audit trail of all security related operations.

All doors equipped with biometric (fingerprint) locks will remain closed at all times except when in use by an authorized employee. Security personnel will be highly trained, experienced and acutely alert. They will deter threats by their visible presence outside and in lobby areas, yet warmly greet visitors. Every visitor will be asked to show their current State of Maine Medical Marijuana ID card and State issued photo ID to access entrance. Member services will be notified by radio if a new patient is entering and will welcome them at the door. Visitor permissions will be authorized by management via radio and issued a temporary ID badge for the duration of their visit only and will wear it visibly at all times when in the facility. REMEDY

will issue photo ID cards to all employees, and regular contractors, vendors and visitors to wear on the front of their clothing at all times while in REMEDY Compassion Center facilities. The ID cards must remain in the owner's possession at all times while on or off duty. Employees will be trained to be alert to strangers on the premises and to question anyone without proper ID. Those who refuse to comply will be escorted from REMEDY Compassion Center facilities, and the Security Manager immediately notified. The Security Manager will address any encountered difficulties and bring it to the attention of local police if the situation warrants a higher level of response.

REMEDY's security system will consist of a CCTV system, 12 impact resistant color dome cameras located outside and inside the facility in various areas, with multiple cameras in sensitive areas such as the dispensary entry, the lower entryway for cultivation, processing, and packaging, and the dispensary counters. The biometric locks will be on all doors entering the dispensary operations, administrative offices, cultivation, production, packaging and processing. We will use other features of a highly effective security system including door contacts, glass break detectors, exterior bells, interior alarms, and motion detectors to deter unlawful activity.

Medical cannabis is strictly controlled, and diversion of medical cannabis to unauthorized recipients will not be tolerated, will be reported to local authorities, and will be grounds for immediate dismissal from REMEDY Compassion Center's membership or employment.

Record-Keeping Procedures to discourage unlawful activity

Member Services will welcome patients and caregivers and log them into the database, ensuring they have designated REMEDY as their dispensary, and taking note of any security statements on their record. Maine Medical Marijuana state ID cardholders may visit for a guided tour and introduction, however, only those who have designated us as their dispensary can make a purchase.

All sales will be entered into our POS system, which will track patient purchase dates and amount. If a patient is requesting more than can be legally dispensed in a 15 day period, they will be informed about the law and respectfully asked to purchase the allotted amount or return another day.

Employee's personal belongings such as outerwear, bags, and purses will be stored in the employee break room lockers in order to deter theft. Company property of any kind will not be removed from the premises without the proper authorization of management. No employees will be allowed on the premises outside of working hours. REMEDY Compassion Center has a zero-tolerance policy towards unauthorized or illegal possession, use or sale of alcohol or controlled substances on work premises, use or sale of weapons, firearms or explosives on work premises; theft or dishonesty; physical harassment; or sexual harassment. Employees are prohibited from the displaying, transmitting and/or downloading of sexually-explicit images or messages, ethnic slurs, racial epithets or anything that could be construed as harassment or disparaging to others. Fraternizing with co-workers or patients is strongly discouraged, and solicitation by an employee of another employee is prohibited while either person is at work. Unlawful distribution of literature will be prohibited on company grounds. Employees must not engage in outside employment that could present a conflict of interest or involve activities that might cause any harm to REMEDY Compassion Center.

Personal cellular telephones will remain off or silent while performing work duties on company premises in order to better serve patients and remain alert. Employees are prohibited from using cellular telephones to talk, text, or receive or send data while performing work duties on company premises. Company provided e-mail systems will not be used to solicit fellow employees, distribute non job-related information, or other inappropriate activity and may be monitored, and passwords for company databases, accounts, records, and/or email accounts shall be made available to the Security Manager. Use of the Internet for any non-business purpose, including but not limited to, personal communication or solicitation, purchasing personal goods or services, gambling and downloading files for personal use, is strictly prohibited.

➤ **Criteria 2 Measure 5**

REMEDY Compassion Center plans to employ ten full-time employees to operate the Center upon dispensary start-up on or about December 15, 2010. Our start up plans include interns and volunteers in order to provide a way to involve and educate members and help keep costs down.

Having a knowledgeable, well-trained staff is essential in establishing a strong relationship of trust with the patients and community. Qualified candidates will be hired on a three-month probationary status. During this period, they will participate in a rigorous training process, and evaluated for suitability in a restricted-access medical environment. Training tools will include the employee handbook, other reading materials, lectures by qualified professionals, hands-on training and quizzes. Additionally, dispensary and security staff will be required to pass a Red Cross instructed CPR, First Aid and Automated External Defibrillator (AED) class and dispensary staff will need to be HIPAA trained and certified as well.

Individual job descriptions are described in the employee guide and are used in determining job performance. This ensures that everyone is clear about their role and responsibilities, and understand how they help to create a safe and efficient working environment. REMEDY's staffing plan is outlined in Schedule E-1, with the management positions listed below.

- **Executive Director** - Timothy Smale
Reports to the board of directors, has overall leadership responsibilities for the organization including day-to-day operations, and is focused on delivering our mission and business objectives. Directly responsible for implementing operational plans and financial performance, he has access to, and authority and responsibility for all departments, including safety, cultivation, processing, packaging, dispensary operations, inventory control including vaults, and administrative offices.
- **Patient Services Director** – Jennifer Smale
Reports to the Executive Director, and is responsible for instituting systems and processes throughout the organization in order to ensure members receive the best possible experience. She will also be responsible for educational and awareness programs, regulatory compliance, outreach to the medical community, and public relations.

- **Dispensary Manager** – *To be hired prior to opening*
Responsible for all aspects of the dispensary day-to-day operations, including sales, member services, display, dispensing and proper storage of medicine on the dispensary floor. The Dispensary Manager may have an assistant manager, and/or managers-on-duty as needed.
- **Operations Manager** - *To be hired prior to opening*
Manages all aspects of operations including the cultivation, processing, packaging, and inventory control departments. The Operations Manager will ensure that operations go according to plan and quality standards are met. Responsibilities will include scheduling the start of cloning, vegetative, and flowering cycles, as well as directing harvesting, curing, and testing procedures. The Operations Manager will maintain logs of light schedules, feeding and watering schedules, inventory of plants in cultivation, drying, curing, processing, and packaging in order to remain in compliance with rules.
- **Security Manager** - *To be hired prior to opening*
Manages all aspects of our safety and security plans, security personnel, critical incident reporting, disaster preparedness, monitoring and reporting, and other threats to our business.

Accessible Business Hours

While working with a medical cannabis dispensary in California, we discovered that business was slow on Sundays. For this reason, REMEDY Compassion Center will initially be open from 10:00 AM until 6:00 PM Monday through Saturday, making adjustments in the future according to the needs of our members.

Dispensary and Operations staff will either work Tuesday through Saturday or Monday through Friday. Their shift will begin at 9:30AM and end at 6:30 PM, with an hour off for lunch and mandatory 15 minute mid-morning and afternoon breaks. Security staff will stagger shifts to be onsite no later than 9:00 AM in order to check on the facility and building before staff arrives, and stay until 7:00 PM to secure and close the building after staff departs.

Safe Growing and Cultivation

Following procedures outlined in our operations manual, employees will change into REMEDYwear, including sanitary jumpsuits and footwear, hairnets and gloves before entering the cultivation facility. They will check for leaks, equipment failures, and security breaches, and inspect the plants for pests, wilting, and necessary nutrient and watering requirements. Normal operating procedures found in our operations manual describe housekeeping duties, such as the use of only natural and organic cleaners to clean floors and walls, supplies, equipment, carts, and anything else that could potentially come into contact with the plants.

Maintenance of Confidential Information Regarding Grow Sites

Since our cultivation site will be located in the same facility as the dispensary, security issues are avoided by keeping medicine in and threats out. Our building, described more fully in Criterion 2 Measure 4, was specifically selected to be both appealing and secure. Operations access, including all areas of drying, curing, processing, packaging, and inventory control, will be

strictly limited to authorized personnel using biometric locks on doors. Visitors to operations must be personally pre-approved by the Executive Director. As outlined in the Growing and Cultivation Policies and Procedures, Schedule E-2, Employees must not disclose any operational information to outsiders, including other patients, third parties or members of one's own family, especially concerning the quantity of medicine and location of departments within the facility. Non-authorized disclosure of confidential information will not be tolerated and will result in immediate discharge.

Maintenance of Confidential Patient Information

Protecting patient information is the serious responsibility of each employee who must make sure that confidential information is not improperly or accidentally disclosed. Patient Information Policies and Procedures (Schedule E-1) are included in the Employee Manual and will be strictly enforced. REMEDY employee training classes will also outline these requirements, and all sales staff must attend the training class before working at the dispensary.

Employee access to patient records will be restricted by the use of user accounts to only allow access to information they are allowed to view. Employees are prohibited from using unauthorized codes or passwords to gain access to patient files and or accounts. According to HIPAA law, they are also prohibited from disclosing patient information to outsiders, including other patients, third parties or members of one's own family. Developing personal relationships with patients while at work is also strictly prohibited. Non-authorized disclosure of confidential information will not be tolerated and will result in immediate discharge. REMEDY Compassion Center will enforce policies found in the employee handbook regarding maintaining privacy when discussing protected patient information.

All of the patients' personal information will be input into REMEDY Compassion Center's secured electronic member database, and any paper copies of documents will be stored in a locked cabinet with access limited to the Executive Director and Patient Services Manager. Patient Records will not be removed from their locked, secure cabinet or leave the building. Any unretained hard-copy information will be shredded and disposed of securely. Data will be stored and processed on encrypted, secure, HIPAA compliant systems that are password protected, and accessible only by those who have a legitimate business need and have been trained on HIPAA regulations. An internet firewall will prevent transmission of patient information over the internet. The Patient Services Manager will be responsible for determining access to protected health information and monitor all logins and edits. Digital records will be disposed of properly ensuring they are unable to be reconstructed. Unauthorized duplication will be prevented by restricting printer access and disabling the CD-ROM and USB ports on the computers.

Privacy and security policies will be explained to patients and caregivers so that they understand that their patient health information remains secure. Should a patient request a copy of their records, the Patient Services Manager will review the request and release them only to the patient upon signature unless other arrangements are agreed upon in advance and approved by the Patient Services Manager.

➤ **Criteria 2 Measure 6**

REMEDY Compassion Center consents to pay for state and federal background checks for all proposed and future registry card holders.

➤ **Criteria 2 Measure 7**

Medical cannabis is a very complex subject, and the more we learn the more we appreciate the medicine. REMEDY Compassion Center will be an educational resource for our members, where they find the answers they need to get the maximum benefit from their medicine. Whether it's a individual consultation with a knowledgeable REMEDY team member about strain selection, or a workshop teaching patients and caregivers how to build their own vaporizer, we're there to help. Below are some examples of the patient educational materials and information we will offer. Please refer to Schedule E-6 to see examples of some of our educational materials.

A. Member Guide-

Every patient and caregiver who designates REMEDY as his or her dispensary will receive a copy of the Member Guide. The Guide includes the following information:

1. Medicinal strains- what we offer and the ailments they are best for.
2. Methods of administering medicine- which methods are safest, how to determine dosage.
3. Research studies relating to medical cannabis
4. Cannabinoid information- THC, CBD and CBN and their effects
5. Tracking sheet for patient to use to track the strains used and their effect
6. Potency of medicine and its effect
7. Tolerance, dependence and withdrawal information
8. Resources for help if needed

B. Resource Materials-

- Educational pamphlets from Americans for Safe Access will be made available to patients. They include information on specific conditions such as Multiple Sclerosis, HIV/Aids, Cancer, and Chronic Pain Syndromes.
- O'Shaughnessy's Journal of Cannabis in Clinical Practice quarterly newspaper will be available free of charge to patients.
- REMEDY will also have a list of resourceful website links that can be emailed to the member upon request.

C. Strain tracking-

Patients will have an opportunity to participate in an ongoing survey of "Strain and Effect". We will track which strains were found to be most effective for particular ailments, and make the information available to patients and caregivers to help make informed purchase decisions.

D. Seminars and Workshops-

REMEDY's classroom will be located beside the dispensary. Patients, caregivers and the general public will be taught in a classroom environment on a variety of topics such as growing, strain selection, how to make a vaporizer, and cooking with cannabis. REMEDY will also welcome guest speakers to discuss various topics such as alternative healing methods, pain management, herbals, and naturopathy. Members may also reserve the classroom for their own group meetings to promote the formation of a supportive, safe community.

REMEDY will also offer free seminars to doctors, patients, and caregivers in an effort to broaden awareness and encourage thoughtful discussion. Informational seminars will also be offered to prospective patients, explaining the benefits of medical cannabis, answering questions, and providing information about Maine's law, rules and regulations, and the registration process.

E. Email notifications

REMEDY members will have the option to receive email notifications informing them about REMEDY news events, cannabis news, and medical study findings. They can click on provided links to access more information on the internet.



REMEDY

Compassion Center

EXHIBITS

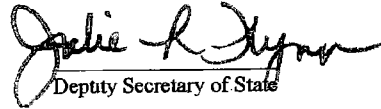
DOMESTIC
NONPROFIT CORPORATION

STATE OF MAINE

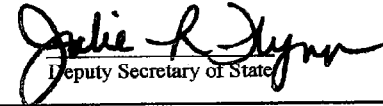
ARTICLES OF INCORPORATION

Filing Fee \$40.00

File No. 20100506ND Pages 7
Fee Paid \$ 40
DCN 2101721600020 ARTI
-----FILED-----
06/21/2010


Deputy Secretary of State

A True Copy When Attested By Signature


Deputy Secretary of State

Pursuant to _____, the undersigned incorporator(s) execute(s) and deliver(s) the following Articles of Incorporation:

FIRST: The name of the corporation is Remedy Compassion Center, Inc.

SECOND: ("X" one box only. Attach additional page(s) if necessary.)

☐ The corporation is organized as a public benefit corporation for the following purpose or purposes:

☒ The corporation is organized as a mutual benefit corporation for all purposes permitted under _____ or, if
not for all such purposes, then for the following purpose or purposes:

THIRD: The Registered Agent is a: (select **either** a Commercial or Noncommercial Registered Agent)

☐ Commercial Registered Agent CRA Public Number: _____

(name of commercial registered agent)

☒ Noncommercial Registered Agent

Timothy M. Smale

(name of noncommercial registered agent)

(physical location, not P.O. Box – street, city, state and zip code)

(mailing address if different from above)

FOURTH: Pursuant to _____, the registered agent as listed above has consented to serve as the
registered agent for this nonprofit corporation.

FIFTH:

The number of directors (not less than 3) constituting the initial board of directors of the corporation, if the number has been designated or if the initial directors have been chosen, is Three (3).

The minimum number of directors (not less than 3) shall be Three (3) and the maximum number of directors shall be Five (5).

SIXTH:

Members: ("X" one box only.)

☒
☐

There shall be no members.

There shall be one or more classes of members and the information required by

is attached.

SEVENTH:

(Optional)

☐

(Check if this article is to apply.)

No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

EIGHTH:

(Optional)

☐

(Check if this article is to apply.)

Other provisions of these articles including provisions for the regulation of the internal affairs of the corporation, distribution of assets on dissolution or final liquidation and the requirements of the Internal Revenue Code section 501(c) are set out in Exhibit _____ attached hereto and made a part hereof.

Incorporators*


Dated June 18th, 2010

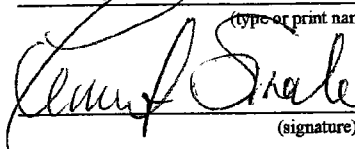

(signature)

Street 
(residence address)

Timothy M. Smale

(type or print name)



(city, state and zip code)

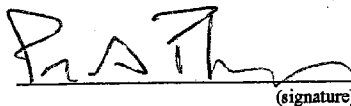

(signature)

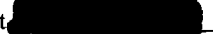
Street 
(residence address)

Jennifer R. Smale

(type or print name)



(city, state and zip code)


(signature)

Street 
(residence address)

Peter A. Phelps

(type or print name)


(city, state and zip code)

REMEDY COMPASSION CENTER, INC.
ACTION BY CONSENT

The undersigned, being the members representing all of the capital values of the ownership interest of REMEDY COMPASSION CENTER, INC. a Maine Nonprofit corporation, (the "Company"), hereby consent and agree to the following actions:

1. The Duplicate Original Articles of Incorporation of the Company, duly certified by the Secretary of State of Maine as having been filed with the Secretary of State on June 21, 2010, are hereby accepted and will be filed in the record book of the Company.
2. The actions taken by Timothy Smale, organizing the Company are hereby ratified and confirmed in all respects.
3. The Company will keep the financial records and statements on the basis of a fiscal year ending December 31.
4. The Resolutions and/or Votes pertaining to banking authority set forth and made a part hereof, are hereby adopted by and on behalf of the Company and are incorporated herein by reference.
5. The written By-Laws of the Company signed by the Board of Directors will be filed in the record book of the Company.
6. The following persons are hereby elected officers of the corporation to serve in accordance with the Articles of Incorporation and the By-Laws of the Company:

President/CEO:	Timothy Smale
Vice-President/Secretary:	Jennifer Smale
Treasurer:	Peter Phelps

Executed this 18th day of June, 2010.

Timothy Smale

Jennifer Smale

Peter Phelps

REMEDY COMPASSION CENTER, INC.

CERTIFICATE

The undersigned, Timothy Smale, does hereby certify that he is the duly elected and qualified President/CEO of REMEDY COMPASSION CENTER, INC., a Nonprofit corporation company duly created, organized and existing under and by virtue of the laws of the State of Maine, and that the following is an exact and true copy of votes of the corporation:

“VOTED: all contracts, mortgages, leases, deeds, transfers, and other conveyances of the real or personal property of the corporation; all promissory notes, acceptances, checks, drafts, orders or other obligations of the corporation for the payment of money; all bonds, licenses, returns, reports, applications and all other instruments or writing of any nature shall be signed, executed, acknowledged and delivered for and in behalf of the corporation except as the directors or the Board of Directors may otherwise order or provide from time to time by the following listed signatory, acting singly”;

“VOTED: that the Treasurer, Peter Phelps, and/or the President/CEO, Timothy Smale, is hereby authorized to open any accounts for the handling of funds under such designations as he may deem advisable in any banking institution doing business in the State of Maine, or elsewhere for the purpose of accepting the payments made to the corporation and paying there from for the obligations of the corporation including the power to close the same, transfer funds, deposit funds therein or otherwise act as the Treasurer may deem advisable”;

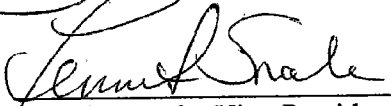
These By-Laws are hereby ratified and adopted by the Board of Directors of the Corporation.

Dated this 18th day of June, 2010.

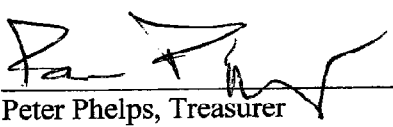
6/18/10


Timothy Smale, President/CEO

6/18/10

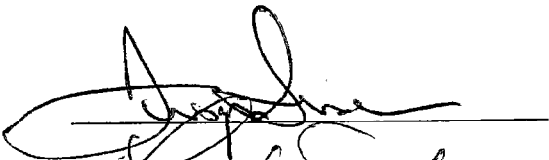

Jennifer Smale, Vice-President & Secretary

6-18-10

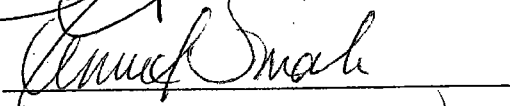

Peter Phelps, Treasurer

That the following are the duly elected and qualified signatories of the corporation; that said vote of the Board of Directors has not been repealed, revoked or amended and is in full force and effect.

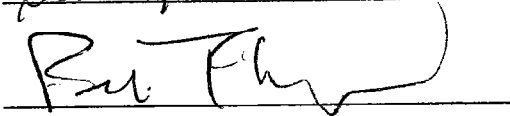
Dated this 18th day of June, 2010.

A handwritten signature in black ink, appearing to read "Timothy Smale", written over a horizontal line.

Timothy Smale, President/CEO

A handwritten signature in black ink, appearing to read "Jennifer Smale", written over a horizontal line.

Jennifer Smale, Vice-President & Secretary

A handwritten signature in black ink, appearing to read "Peter Phelps", written over a horizontal line.

Peter Phelps, Treasurer

**MINUTES OF THE
INAUGURAL MEETING OF THE BOARD OF DIRECTORS
OF REMEDY COMPASSION CENTER, INC.**

The Board of Directors of Remedy Compassion Center, Inc., having consented to the time and place of the inaugural meeting of the Members, the meeting was held on June 18th, 2010, at Farmington, Maine.

The first item of business taken up was the appointment of officers of the corporation. A motion was made to appoint the following persons as officers of the corporation:

PRESIDENT/CEO	Timothy Smale
VICE-PRESIDENT/SECRETARY:	Jennifer Smale
TREASURER:	Peter Phelps

RESOLVED: That the foregoing named persons shall hold the offices of the corporation as stated for a term of one (1) year or until such time as the Board of Directors may determine from time to time.

Other items of business taken was as follows:

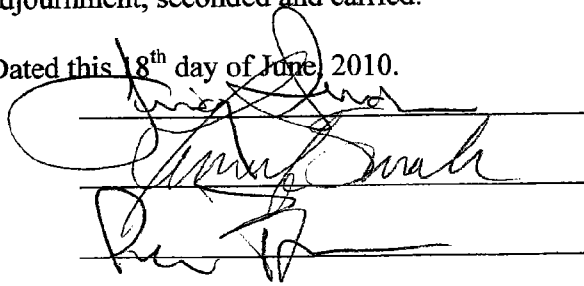
RESOLVED: That the board approved that Remedy Compassion Center, Inc. apply for a license to operate a Compassion Center with the Maine Department of Health and that the President/CEO may sign said application.

RESOLVED: That Remedy Compassion Center, Inc. continue to seek to purchase or lease space either in Wilton, Farmington, or enter into a purchase or lease agreement for said space in another suitable space located in western Maine to operate said Compassion Center, contingent upon said license being granted to Remedy Compassion Center Inc., the President/CEO continue to build the already supportive and positive relations with the townspeople, businesspeople, and leaders of Wilton and Farmington, and that the President/CEO is authorized to negotiate and sign either a Letter of Intent, Lease, or Purchase Agreement.

RESOLVED: That Remedy Compassion Center Inc. borrows the necessary monies to initiate the application, start up costs, and fund its first year of operations for said Compassion Center, and that the President may negotiate and the terms of financing.

No further business having been brought to the meeting, the chairmen then called for adjournment, seconded and carried.

Dated this 18th day of June, 2010.



Timothy Smale

Jennifer Smale

Peter Phelps

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redacted.**

**This page has been
redacted.**

Letter of Intent to lease or purchase Commercial Real Estate Property

June 21, 2010

Dear Mr. Dexter:

We are pleased to submit the following proposal to purchase to lease or lease for REMEDY Compassion Center, Inc., lease for {Company Name} (Tenant). The general terms and conditions under which Landlord/Tenant will consider a lease are provided below:

PREMISES: The premises, known as the Dexter Building, shall contain approximately 12,000 rentable square feet of space, approximately 6,000 sf downstairs and 6,000 sf upstairs, located Routes 2&4 in Wilton ME.

TERM AND COMMENCEMENT: The term of the lease will be for approximately Five (5) Years, commencing upon substantial completion of improvements, estimated to be August 1, 2010, unless lease to purchase arrangements are made.

RENTAL RATE PREMISES: The monthly base rent per rentable square foot for the premises during the lease term, or the lease to purchase terms, shall be determined on or about 7/15/10.

TENANT IMPROVEMENTS: Landlord and Tenant shall decide upon construction plans on or about 7/15/10.

OPERATING EXPENSES: The operating expense stop shall be established by mutual agreement by the parties shall be determined on or about 7/15/10 at a later date.

SECURITY DEPOSIT: The amount of the security deposit shall be determined on or about 7/15/10, following landlord's review of tenant's financial plan.

RENEWAL OPTION: Tenant shall have the right to extend the lease, to be determined at a later date.

RIGHT OF FIRST OFFER: Tenant shall have the Right of First Offer on spaces within the building if the entire building is not leased or purchased upon occupancy, throughout the term of the lease. Details to be determined at a later date.

SIGNAGE: Tenant shall have the right to standard building sign(s) in keeping with town regulations and landlord approvals.

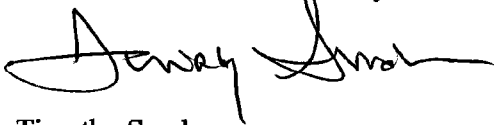
PARKING: Tenant shall be entitled to use the parking at the lower level in front of the building and at the upper level at the rear of the building. Tenant shall have direct access to Routes 2&4 using the driveway established for the building, which shall be improved by the landlord to achieve appropriate level grading on the surfaces for safe vehicle operation.

ACCESS: Tenant shall have access to the Building 24 hours per day, 7 days per week.

PROPOSAL EXPIRATION: This proposal is valid for thirty (30) days, until July 21, 2010 at 5:00 p.m.

If you have any questions please do not hesitate to call me. If the terms provided herein are acceptable to you, please acknowledge your approval in the space provided below and scan an email to smale.tim@gmail.com, or call (207) 293-4951 for faxing instructions.

We look forward to a mutually beneficial long and prosperous relationship together,



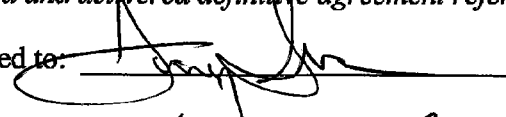
Timothy Smale

President & CEO

REMEDY Compassion Center, Inc.

This proposal is not intended as, and does not constitute, a binding agreement by any party, nor an agreement by any party to enter into a binding agreement, but is merely intended to specify some of the proposed terms and conditions of the transaction contemplated herein. Neither party may claim any legal rights against the other by reason of the signing of this letter or by taking any action in reliance thereon. Each party hereto fully understands that no party shall have any legal obligations to the other, or with respect to the proposed transaction, unless and until all of the terms and conditions of the proposed transaction have been negotiated, agreed to by all parties and set forth in a definitive agreement which has been signed and delivered by all parties. The only legal obligations, which any party shall have, shall be those contained in such signed and delivered definitive agreement referred to above.

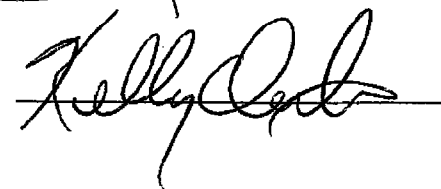
Agreed to:



Timothy Smale

Date: 6/24/10

Agreed to:



Kelly Dexter

Date: 6/22/10

BERNER

REAL ESTATE


*Treasures at the Foothills of
Maine's Western Mountains*

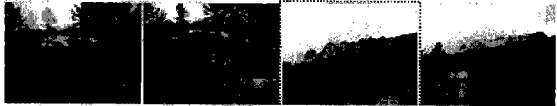
Berner Real Estate • 107 Bridge Street, West Farmington • (207) 778-2227

[Home](#) | [Properties](#) | [Land](#) | [Rentals](#) | [The Berner Advantage](#) | [Directions](#) | [Contact Us](#)

200H CONSIDER THE POSSIBILITIES (Commercial Property)

Routes 2 & 4
East Wilton, Maine (Franklin County)





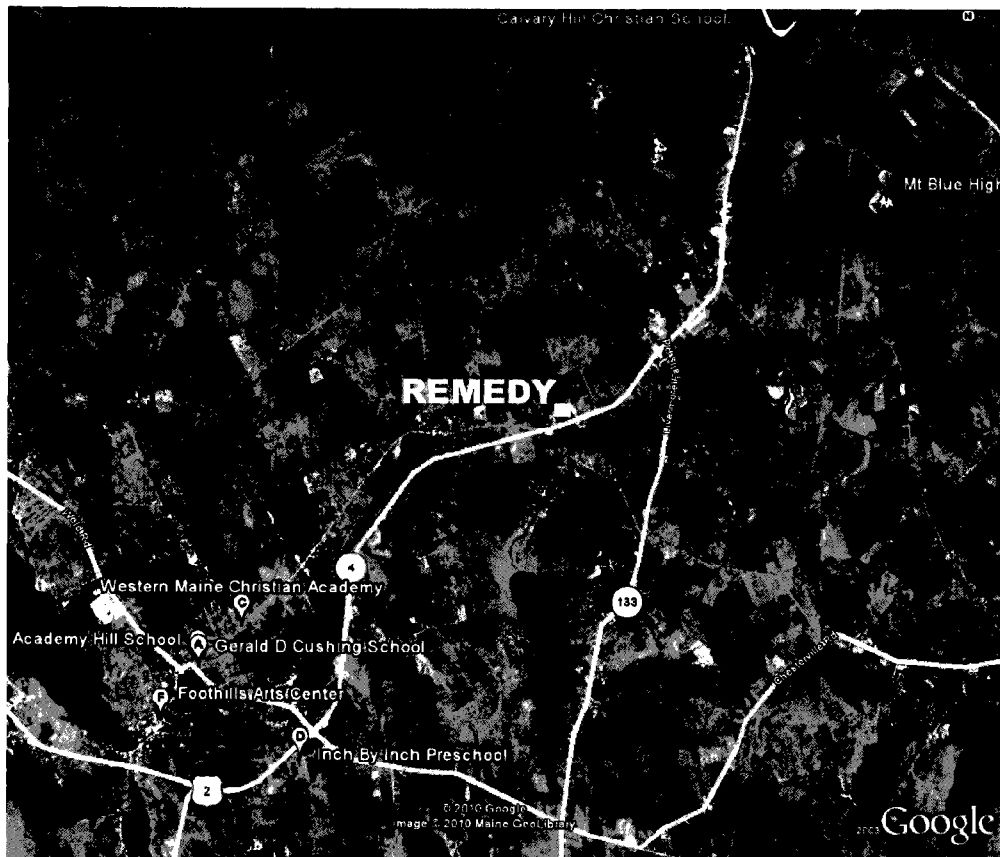
Status: Available
Price: \$535,000

Consider the possibilities! Located right on busy Routes 2 & 4, High traffic Count, Great Visibility, Plenty of customer/client parking, Brand new Spacious building 12,000 square feet, Bring your Business Plans & Start investing in your future today!

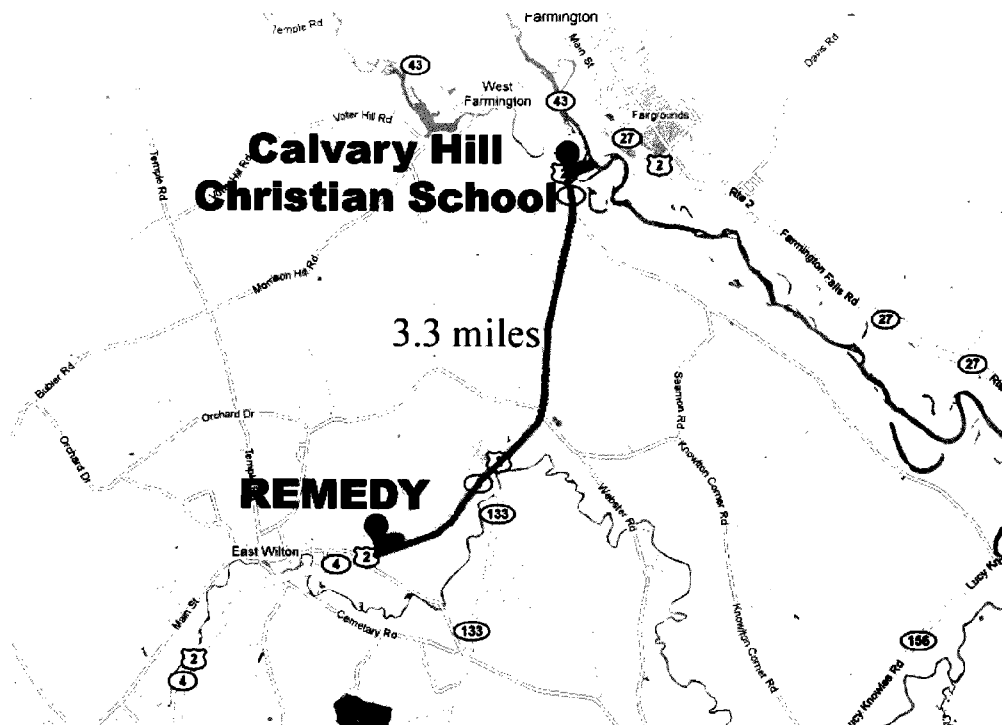
Lot Information

Driveway: Gravel
Parking: Plenty

EXHIBIT E



Location of Schools



3.3 miles from nearest school

DAILY BULLDOG

Franklin County's First News

Home Home & Garden The Good Life Classifieds Event Listings About Us Advertise

Wilton planners approve medical marijuana dispensary

By Ben Hanstein • Jun 3rd, 2010 • Category: Features, News

WILTON - Finding the site application complete, a divided planning board approved the business permit for a proposed medical marijuana dispensary Thursday evening, contingent on state licensing.

The board tabled the motion at their last meeting, asking the proposal's proponents to bring them more information regarding their plan to operate a medical marijuana dispensary, legal under new the Maine Medical Use of Marijuana Act, which was passed overwhelmingly by voters in November. Lucas Sirois and Charles Crandall want to open their operation, Ahead Care Medical Marijuana Dispensary, in an unused office building at 932, Route 2, near Dexter Supply.

The pair are applying for a license from the Department of Health and Human Services. They are also proposing operating a dispensary in Farmington, in the old Rite Aid building on the Wilton Road, and are submitting both sites as possibilities to the state.

"We think it makes a more complete application," Crandall said, after the planning board meeting. "It shows DHHS that we're looking for the best place for this."

Franklin County, along with Oxford and Androscoggin counties, make up one of eight public health districts in Maine. One marijuana dispensary will be selected in each of the eight districts under the state's Department of Health and Human Services rules in the Division of Licensing and Regulatory Services.

In Wilton, the planning board briefly debated the potential issues with medical marijuana dispensaries, with board member Keith Shoaps saying that agencies he had contacted in California had led him to believe that a dispensary might not be appropriate for Wilton.

"I don't think we need it in this town," he later said. "I don't think it's good for the town."

Board chair Michael Sherrod cautioned board members and representatives of the proposals to stick with the town's ordinances and regulations.

"I think we need to focus on the planning board's role," he said.

BROWSE C

Arts
Business
Features
Happenings
Health
News
Obituaries
Opinion
Outdoors
Sports



EXHIBIT G



A *tyco* INTERNATIONAL LTD. COMPANY

The following proposal is for 932 US Route 2, Wilton Maine:

ADT will provide and install an intrusion system at the facility including the following components:

- 1- Intrusion control panel
- 1- Keypad
- 4-panic buttons
- 5- Door contacts
- 8- Motion detectors
- 20- Glassbreak detectors
- 2- Interior sirens
- 2- Exterior siren/strobe
- 1- Commercial cellular communication back-up system with high-gain antenna.
- 1- Training and testing

Note: The monthly service fee includes central station monitoring, on-line open/close service, cellular back-up fee, and full extended system maintenance.

Installed Price: \$XXXX*

Monthly fee: \$ XXXX*

ADT will provide and install a 4-door access control system including the following components:

- 2- 2-door control panels
- 5- Biometric fingerprint readers
- 4- Request-to-exit motion detectors and status door contacts.
- 1- Software package to be installed on customer's computer.
- 1- Estimated locksmith work for locking hardware.

Installed Price: \$XXXX*

Optional monthly maintenance: \$XXXX*

ADT will provide and install a CCTV system in the facility including the following components:

- 1- Digital Video Recorder with 1.5TB hard drive, 16-camera capacity, and Ethernet capability
- 3-monitors
- 14- Vandal resistant, high-resolution, mini-dome cameras with vari-focal lens, tilt/zoom/rotate capability in 6.
- 1- camera power supply

Installed Price: \$XXXX*

Optional extended maintenance: \$XXXX/month*

**EDITED AT REQUEST OF SUBCONTRACTOR DUE TO PROPRIETARY INFORMATION*

Timothy M. Smale

(207) 293-4951 • Mobile: [REDACTED]

Executive Management

Financial • Marketing • Operations • Sales • Strategic Planning

A results-driven industry leader with 30 years domestic and international experience in both for-profit and non-profit organizations, including Fortune 100 companies and small businesses, and a leading medical cannabis consulting organization. Experience starting companies, buying groups, e-commerce, sales management, operations, finance, distribution, retail, manufacturing, training, and quality management in multiple industries. Dynamic and effective presentation, training, and meeting facilitation skills.

Core Competencies

General Management
Leadership
Meeting Facilitation

Finance
Operations
Sales

Public Speaking
Training and Development
Negotiations

Education

Masters of Business Administration (MBA), Bowling Green State University, 1992

Bachelor of Business Administration (BBA), The University of Toledo, 1981

St. Francis de Sales High School, Toledo, OH, 1977

Professional Experience

CannBe, formerly **Harborside Management Associates** – Oakland, CA (www.cannbe.com)

General Manager September 2009 – April 2010

Successfully launched a new company providing management consulting services for medical cannabis dispensaries, duplicating the proven systems of the nation's largest non-profit dispensary, Harborside Health Center (www.harborsidehealthcenter.com).

Developed a profitable company in 7 months, with 14 full-time employees and projected first year sales of 2 million. Organized the collaboration of five of the nation's most successful medical cannabis executives to develop a mission, goals and strategy. Responsibilities included facilitation of weekly meetings, financial planning and accounting, human resources and subcontractor management, sales, facilities expansion, and all aspects of organizational development. Wrote business plans, including operations and financial plans, for new and existing medical cannabis dispensaries. Worked with franchise attorneys and investment consultants. Developed a rolling 12-month financial model, and a detailed 5-year financial planning and investment tool.

EXHIBIT H

Families at the Dump - Puerto Vallarta, Mexico (www.familiesatthedump.org)

Consultant March 2008, October 2008, and March – April, 2009

Consulted with a not-for-profit organization to help provide food, clothing, shelter and education to the people living in the Puerto Vallarta City Dump.

Wrote a business plan and mission statement, determined goals, improved operations, developed a succession plan, accounting system, and facilitated team meetings between the Board of Directors, Advisory Board, and volunteers.

The Dwyer Group - Waco, TX (www.dwyergroup.com)

Franchise Systems Manager, Glass Doctor 2005-2007

Consulted with franchisees to improve personal and business performance.

Managed 80 Glass Doctor Franchises across the US and provided business and personal coaching and training to owners, managers, technicians and staff. Performed quality and operations audits, developed action plans, and followed-up to ensure success.

Director of Business Development 2004-2005

Developed an e-commerce purchasing system, negotiated contracts and managed purchasing.

Developed an e-commerce purchasing system for retailers, distributors, and manufacturers for multiple industries, negotiated long-term supply contracts for Glass Doctor, and assisted in franchise sales.

The Independent Glass Association - Idyllwild, CA (www.iga.org)

Chief Executive Officer 1999-2004

Managed national association in the glass industry.

Spearheaded vision, strategy, and expansion of a 1500-member trade association. Recruited, developed and trained an effective board of directors. Created and implemented marketing plans, budgets and forecasts and tripled annual revenue. Directed managers and staff, and established state chapters. Launched a for-profit buying group and billing service, established a national warranty program, implemented a new website and developed an e-commerce program.

Out There, Inc. - Idyllwild, CA

Program Director 1998-1999

Consulted businesses, wrote grants and managed outdoor education programs.

Consulted and trained business owners to improve quality, facilitated team and board meetings, and trained staff. Wrote grants, secured funding, and managed outdoor education programs for at-risk youth in the Los Angeles area for the Boojum Institute for Experiential Education.

EXHIBIT H

Pilkington, Inc. - Toledo, OH (www.pilkington.com)

Total Quality Manager 1998

Managed quality improvement in manufacturing, distribution, operations, and sales.

Instituted quality improvement in manufacturing, distribution, operations, and sales. Trained managers and staff, facilitated meetings, and created training classes and materials.

Director of Sales 1994-1998

Managed sales force and staff in the automotive glass aftermarket.

Managed \$75 million in annual sales and 25 salespeople, led division in annual sales growth and profitability during term. Trained sales and operations staff, facilitated meetings, and created training classes and materials, including train-the-trainer materials. Attended Pilkington's Executive Development II, a two-week training program at world headquarters in England for upper management employees.

Dana Corporation - Toledo, OH (www.dana.com)

International Sales Manager, Universal Joint Division 1992-1994

Managed OEM sales and engineering programs for customers such as Toyota, GM, and Nissan, others in the Asia/Pacific Rim countries of Australia, Japan, Korea, Taiwan, and China.

Regional Business Manager, Drivetrain Service Division 1990-1992

Managed eight sales and technical service representatives in the truck parts aftermarket, leading division in sales growth, responsible for \$40 million in annual sales.

Sales Operations Manager, Drivetrain Service Division 1986-1990

Developed and managed sales and marketing programs. Received MBA through Dana University/ Bowling Green State University's Executive MBA program.

District Sales Manager, Drivetrain Service Division 1983-1986

Responsible for \$6 million in annual truck parts sales and training for 25 large warehouse distributors in New England, leading division in sales growth.

District Sales Manager, Parts Craft Division 1982-1983

Responsible for \$2 million in annual engine parts sales and training for 200 NAPA auto parts stores in a six-state area surrounding Memphis, TN., leading division in sales growth.

Sales Coordinator, & Sales Assistant, Drivetrain Service Division 1981-1982

Coordinated sales promotions, set up new customers, interfaced with corporate finance department, supported field sales, coordinated regional and national meetings, processed internal sales reports.

EXHIBIT H**Jennifer (Jenna) Smale**

Telephone: (207) 293-4951 [REDACTED]

Objective	To put my administrative, organizational, marketing and graphic design skills to work in the medical cannabis industry.	
Profile	<ul style="list-style-type: none"> • Medical cannabis caregiver with a compassionate heart to help patients. • 20 years experience in administration, marketing and graphic design, mostly for start-up companies. • Ability to plan, organize, delegate and execute projects from idea to reality. • Highly energetic, motivated individual with a good work ethic. • A self-starter with excellent resourcefulness and determination. • Great computer skills. • A quick learner who delights in improving efficiency and creating systems for repetitive tasks. 	
Education	Bachelor of Science, Small Business Management, The University of Vermont, 1989	
Relevant Experience & Accomplishments	<ul style="list-style-type: none"> • Developed administrative and billing systems to streamline processes for a start-up company in the medical cannabis industry. • Implemented administrative procedures, membership database and renewal process for newly-formed trade association. • Created new brand identity and a marketing plan for an industrial equipment manufacturer. • Successfully launched a new company marketing exercise training equipment. 	
Employment	Start-up Manager, CannBe (cannbe.com) <ul style="list-style-type: none"> • Implemented company-wide web-based collaboration software system to centralize data and coordinate projects while increasing communication and productivity for a remote work force. Developed systems, forms and processes for all company administrative tasks such as client billing, inquiry follow-up and sales, database management, and accounts receivables and payables. Responsible for marketing, including implementation of a brand change, new website, letterhead and business cards, exhibits and mailings. 	2009 - 2010
	Marketing Director, The Independent Glass Association, (iga.org) <ul style="list-style-type: none"> • Successfully increased the participation and profitability of the organization by marketing and implementing 8 new programs and services, running profitable conventions and trade shows; and administrating timely membership renewals. Designed logo, website, magazine and brochures. 	1999 - 2005
	Marketing Director, Automatic Handling, (automatichandling.com) <ul style="list-style-type: none"> • Developed a logo, designed and placed advertisements, created marketing materials and trade show booths. 	1993 - 1998
	Marketing Director, Vasa, Inc., (vasatrainer.com) <ul style="list-style-type: none"> • Designed a new logo, Created and placed advertisements in magazines, developed direct-mail promotional materials and trade show booths. 	1990 - 1993
	Membership and Fitness Director, The Fitness Advantage <ul style="list-style-type: none"> • Developed membership drives and fitness plans, trained health club members how to exercise properly. 	1988 - 1990
	Waitress, Desk Clerk, Housekeeper, Freeport Inn <ul style="list-style-type: none"> • Assisted with all aspects of operation of a 50-room Inn and Café. • Delighted in serving customers with exceptional service. 	1983-1988

EXHIBIT H

PETER A. PHELPS, CPA



Summary:

Over 25 years experience with technology, financial services, turnarounds, alternative energy, manufacturing and real estate companies ranging from startups to large public organizations. Skills and experience span accounting and finance, financial control/reporting, international operations, debt and equity capital raising, sophisticated business modeling, operations optimization (cost accounting), business valuation, business development, tax, and IT (various accounting systems from QuickBooks to Great Plains/Dynamics to Oracle Financials). "Hands-on" approach used to deliver impact, and measurable results in sophisticated financial environments.

Experience:

Accounting Management Solutions – 2009 to Present
Financial Consulting. Have successfully delivered results in the following areas: financial reporting and analysis, turnarounds, pre- and post-transaction analysis/integration, raising capital, preparing operating budgets, sophisticated financial modeling, business valuation, and developing tax strategies. Other engagements involved applying various tax/accounting principles such as FIN 48 and SOP 97-2.

Next Online Technologies – CFO/COO, 2006 – 2008
Next is a privately held investor-backed company that sells enterprise SaaS (software as a service) to the financial services industry. Our software facilitated over \$6 billion in mortgage transactions in 2008.

Strategy, Finance, Accounting, Operations and IT

- Worked with Board on strategy development and execution
- Initiated and executed numerous strategic partnerships
- Handled all finance and cash management matters
- Handled all accounting, legal and compliance matters
- Directed all operating activities from start-up to revenue
- Managed HR compliance and recruiting
- Heavy involvement with all IT direction and activities

EXHIBIT H

Cobblestone Advisers LLC – Partner, 2003 to 2005

International investment banking firm specializing in providing advisory services and raising capital for public and privately held businesses in the following industries: technology, biotechnology, real estate, and financial services. Client base was 80% international.

Plymouth Rock Assurance Corporation – CFO, 2002 to 2003

Innovative property and casualty insurance company – Revenue greater than \$1 billion

M&A, Management, and Operations

- Key role in the 2003 acquisition of the Prudential's NJ property and casualty business. Profitable transaction added \$600 million revenue to the top line of Plymouth Rock.
- Produced measurable positive value in the financial analysis, financial reporting, financial controls, IT, and operations areas.

GiantLoop Network, Inc. – CFO, 2000 to 2001

Company is a venture-backed provider of enterprise hardware and software for optical networking solutions.

Raised over \$160 Million in Private Equity:

- Prepared and delivered successful investor presentations
- Generated and closed equity capital commitments
- Equity round participants included Greylock, Pilot House Ventures, Nortel Networks, Cabletron, Sycamore Networks, 360networks and many others.

Operating and Management Experience

- Managed communications with private equity and strategic investors
- Aggressively grew the company from start-up to over 350 employees
- Recruited management team and fully-functional individual departments
- Direct involvement with cost accounting, pricing, sales management, marketing, IT, and Business Development.
- Selected and implemented Oracle Financials system for general ledger, financial reporting, budgeting, and cash control

EXHIBIT H

Andover.Net, Inc. (NASDAQ: ANDN) – CFO, 1999 to 2000

Linux software and tools for open source software development. Sold company to VA Linux (NASDAQ: LNUX) for \$1.1 Billion

S-1, IPO, Road show and Wall Street experience:

- Prepared S-1
- Presented road show to over 70 institutional investors.
- Raised \$83 million in the oversubscribed IPO.

Financial Reporting and Operating Experience:

- SEC Financial Reporting – 10K, 10Q, and conference calls
- Significant role in developing and executing Andover. Net's business strategy.
- Responsible for transitioning Andover.Net from a privately held, venture-backed (TA Associates and others) company to a fully operational public entity
- Accelerated activities in investor relations, IT and human resources

Rosse Enterprises Limited – CFO, 1987 to 1999

Rosse Enterprises is a private equity firm that invests in, and actively operates, companies in the following industries: manufacturing, financial services, textiles, IT, health care services, and medical devices.

Manufacturing Experience:

- CFO for three manufacturing companies for 10 years. Provided significant value-add in terms of pricing, cost accounting/control, and variance analysis in an extremely cost competitive environment.

Mergers, Acquisitions and IPO Experience:

- M&A: sourcing, structuring and due diligence
- Significant experience with post acquisition integration
- Significant involvement with the real estate business including handling accounting issues such as revenue recognition, completed contract, and percentage of completion. Handled all finance and M&A requirements
- Two of our portfolio companies had successful IPOs.

EXHIBIT H

PricewaterhouseCoopers LLP – Tax Manager 1985-1987

Serviced a significant mix of publicly-traded/private clients in financial services, real estate, manufacturing and technology. Experience in structuring complex transactions for maximum after-tax return. Prepared financial projections for public and private real estate syndications and managed M&A and tax planning/compliance engagements.

Ernst & Young, LLP – Audit Supervisor 1980-1984

Spent five years gaining typical large CPA firm audit experience including SEC reporting. Managed diversified client mix of publicly-traded and private companies: 30% manufacturing, 20% software/information technology, 20% real estate, 10% health care and 20% miscellaneous.

Professional Certification, Memberships and Other:

Certified Public Accountant
American Institute of Certified Public Accountants
Massachusetts Society of Certified Public Accountants

The CFO Roundtable
Rotary International
Chamber of Commerce
Mahoosuc Land Trust

Education:

B.S. in Accounting from University of Maryland, 1978
M.B.A. from George Washington University, 1980

EXHIBIT H

Mark W. Hall

Mr. Hall is Senior Vice President and Director of Hunneman Capital Group and has been with the company since 1990. Mr. Hall possess a wide range of domestic and international expertise, including knowledge, skills and experience in real estate investments, management and development, finance and capital market transactions. Since joining the company he has represented numerous institutional clients such as Bankers Trust, GE Capital, CS First Boston, GMAC, and Prudential in Loan Sale and Property transactions worth over \$700 million.

Prior to joining Hunneman, Mr. Hall was Senior Vice President and Partner at Howland Development from 1986-1990 where he was responsible for the acquisition and development of over 1,000,000 square feet of commercial real estate. During this period of time, he also acted as a Development and Workout Consultant for financial institutions, FDIC (Federal Deposit Insurance Corporation) and RTC (Resolution Trust Committee) on residential and commercial projects throughout New England. From 1983-1986 Mr. Hall worked at First Winthrop as a Vice President where he was involved in the syndication of over \$800 million in commercial and residential real estate. Since 1975 Mr. Hall has served as an elected official on a number of community and regional planning boards including Billerica, Essex and the North Middlesex Planning Commission. Mark is a graduate of the University of Massachusetts and holds a Master's Degree from Suffolk University.

Mr. Hall has been traveling to the Dominican Republic for the past 15 years where he has been active in promoting trade and investments for American companies such as GE Capital, Airport Group International, Willowbend Development (affiliate of Reebok International) and Starwood Financial. In 2001 he was responsible for obtaining the approval from the Overseas Private Investment Corporation {OPIC} for a \$27.5 million (plus an add-on of \$200 million) loan to fund a mortgage finance project in Santo Domingo.

EXHIBIT I**Letter of Intent**

Re: \$500,000 Loan to Borrower

Lender: Mark Hall and/or Peter Phelps

Borrower: REMEDY Compassion Center, Inc., "Borrower", a Maine nonprofit pursuant to Title 13-B, Maine Nonprofit Act, President & CEO, Timothy Smale

Intended Use: Operation of a Compassion Center as defined by Public Law, Chapter 631, LD 1811, 124th Maine State Legislature, "An Act To Amend the Maine Medical Marijuana Act"

Amount: \$500,000

Terms: Eight (8) year maturity, with an interest rate of twenty (20%) per annum

Contingencies: This Letter of Intent is subject to:

1. Borrower being granted a license to operate a medical cannabis compassion center by the Maine Department of Health and Human Services on or about July 9, 2010.
2. Borrower shall sign a Promissory Note, Security Instrument in all business equipment purchased, lease entered into by Borrower and all other business assets of Borrower.
3. Lender or his nominee shall not be held liable for any of Borrowers activities or intended use of the funds.
4. It is expressly understood and agreed that this LOI is nonbinding and is intended as an outline of the principal terms of the transaction. Neither party shall have any rights nor obligations regarding the provisions set forth in this LOI unless and until a binding agreement is executed between the parties. The parties agree that neither party will act in reliance on the terms contained in this LOI and that, if a party incurs any expenses with respect thereto, all such expenses will not be reimbursed by the other party, excluding a one-time application fee of \$15,000, of which \$14,000 shall be returned to Lender if the application is unsuccessful in obtaining a license, \$1,000 to be kept by the State of Maine.
5. Lender or his nominee shall have a right of first refusal to purchase any proprietary information developed in the operation of the Compassion Center, including all cultivation processes, software developed and trade secrets employed the REMEDY Compassion Center, Inc., while the loan is outstanding.

We, the undersigned, hereby agree to the above terms and conditions of this Letter Of Intent.

Lender(s): Mark Hall and/or Peter Phelps Borrower: REMEDY Compassion Center, Inc.

By: 

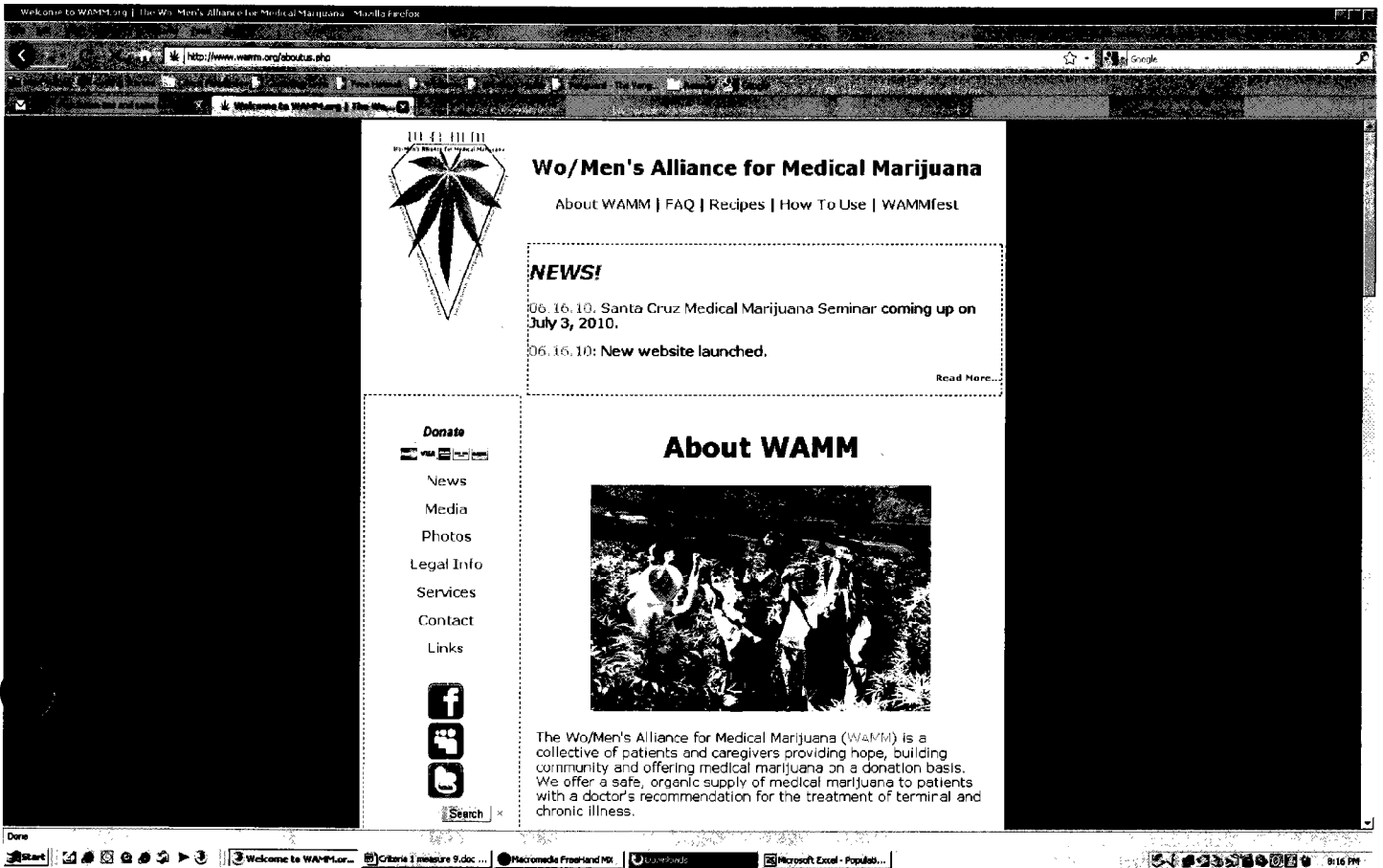
Date

By: 

Timothy Smale, President & CEO

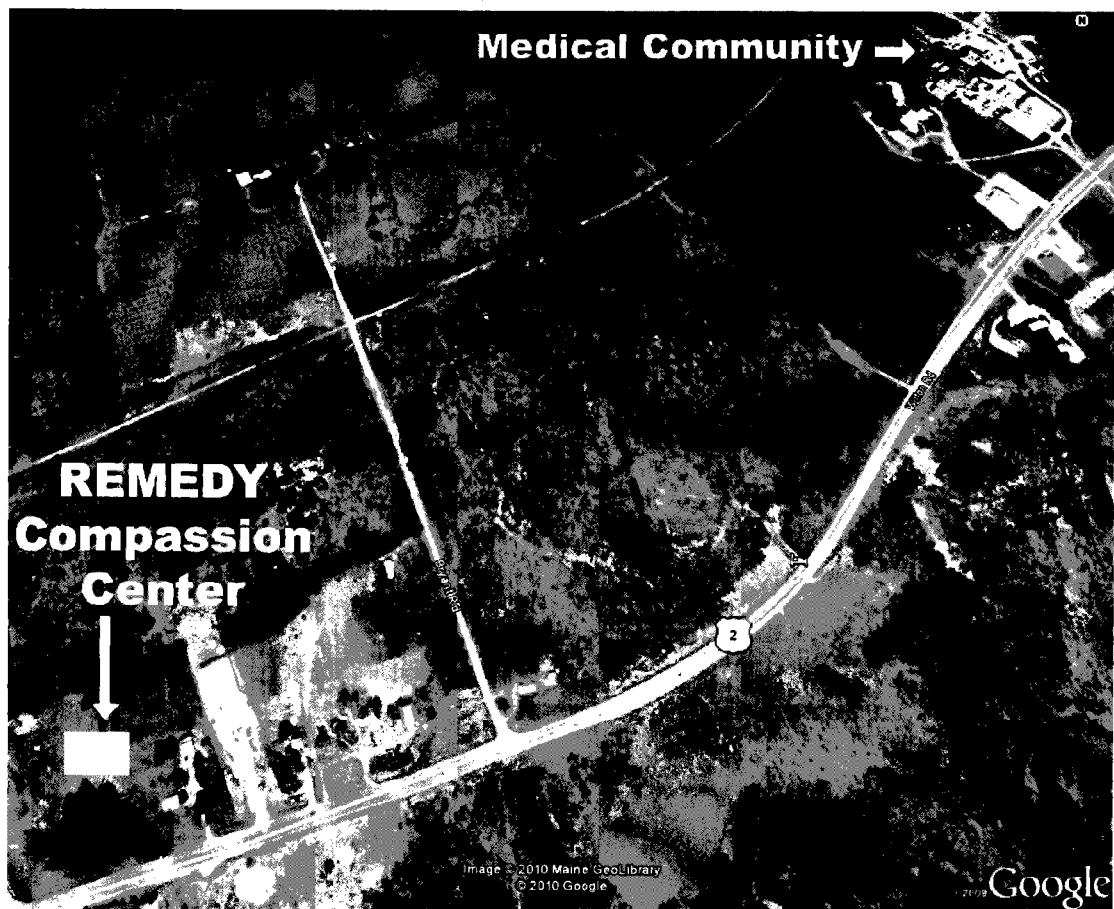
Date

EXHIBIT K

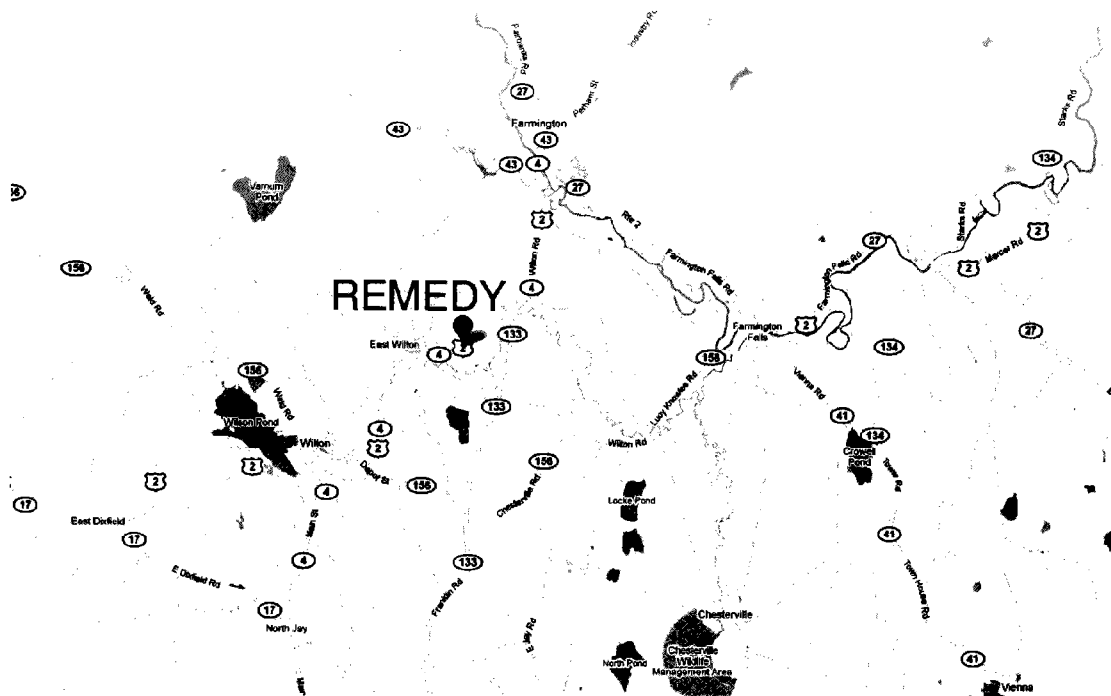


WAMM is REMEDY's role model for a community-based organization

EXHIBIT L



Remedy Compassion Center is located only 1 mile from Farmington's medical community.



Remedy Compassion Center is conveniently located in Wilton/ Farmington, Maine

Project Name	Approximate date
Organizational Development	
Issuance of registration certificate	7/9/2010
Apply for registry identification cards	7/10/2010
Incorporate, initial meeting of board, bylaws accepted	6/18/2010
Financial Plan accepted by board	6/18/2010
Budget, cash flow, income statements, balance sheet finalized	6/18/2010
Personnel plan accepted by board	6/18/2010
Business plan completed and submitted to board for approval	6/21/2010
Startup plan completed and underway	6/15/2010
Application submitted	6/25/2010
Image, Mission, and Vision	
Write mission and vision statement	6/26/2010
Logo design	6/10/2010
Letterhead and branding design	6/10/2010
Marketing and Advertising	
Marketing campaign design	6/30/2010
Marketing campaign implementation	7/10/2010
Public Relations	
PR campaign materials	7/1/2010
PR campaign implementation	7/9/2010
Property	
Secure building letter of intent, draft lease upon license being accepted	6/21/2010
Design layout concept for Wilton planning board meeting	6/22/2010
Meet with owner to discuss plans, tenant improvements	6/23/2010
Meet with owner to discuss build-out quote	6/27/2010
Meet with electrical contractor to discuss quote	6/27/2010
Meet with security firm to discuss quote	6/27/2010
Meet with insurance agent to secure insurance	6/27/2010
Government and Community Relations	
Meet with Wilton planning board director	6/18/2010
Meet with Farmington planning board	6/14/2010
Meet with Wilton Town Manager	6/18/2010
Wilton Planning Board Approval Hearing	7/1/2010
Farmington Planning Board Approval Hearing	7/12/2010
Visit neighboring businesses and introduce ourselves	7/10/2010
Speak at civic organizations	7/15/2010
Meet with Wilton town leaders & influencers	7/15/2010
Meet with Farmington town leaders & influencers	7/15/2010

Exhibit M

Permits	
Construction permit- State Fire Marshall	7/10/2010
State Health inspector	7/10/2010
Plumbing permit	7/10/2010
Design planning meeting	6/21/2010
Design layout	6/26/2010
Secure bids from contractors	6/28/2010
Secure contractor	7/9/2010
Purchase materials	7/9/2010
Commence Build-out	7/10/2010
Commence Electrical Upgrades	7/15/2010
Dumbwaiter installation	8/15/2010
Cultivation Equipment	
Secure bids for equipment	6/26/2010
Purchase equipment	7/9/2010
Equip Decontamination room	7/15/2010
Equip Equipment/ supply/ nutrient monitoring room	7/16/2010
Equip Cloning room	7/15/2010
Equip Seedling room	7/15/2010
Equip Vegetative room	7/20/2010
Equip Flowering room	8/15/2010
Install Harvest equipment	9/1/2010
Install Quarantine room equipment	7/15/2010
Equip Processing room	9/15/2010
Cultivation plan	
Start seeds	7/15/2010
Move seedlings into vegetative room	7/20/2010
Move plants into flowering room	8/15/2010
Separate females, destroy males	9/15/2010
Move 12 flowering female plants into flowering room	9/15/2010
Clone mother plants, cuttings moved to vegetative room	9/15/2010
Move (6 X # patients) plants into flowering room	12/15/2010
Harvest mature plants	11/1/2010
Dry medicine	11/2/2010
Cure medicine	11/12/2010
Quality Inspection	12/1/2010
Process & package medicine	12/10/2010
Medicine prepared for dispensing - (hold until opening day)	12/13/2010
Final Design Build-out	
Furniture delivery	10/1/2010
Acquire artwork	10/7/2010
Signage: Emergency exit, No Smoking, etc.	10/1/2010
Stock inventory and cash	
Secure cash for purchases and tills	12/10/2010
Prepare all packaging and paperwork for processing	11/5/2010
Process inventory into POS	11/1/10 or as needed

Exhibit M

Process Inventory and displays	
Process inventory/packaging	12/1/2010
Set up display	12/1/2010
Stock cabinets on sales floor - prior to opening following daily operations plan	12/15/2010
Stock all departments	
Check stock against department needs lists	12/1/2010
Stock appropriate paperwork and checklists	12/5/2010
Technical Infrastructure	
Secure services	7/15/2010
Computer network Installation	8/15/2010
Telephone Installation	7/15/2010
Security System Installation	7/15/2010
Sound system Installation	9/1/2010
POS system Installation	10/1/2010
Biometric locks Installation	8/1/2010
Merchant services	9/15/2010
Radio system Installation	7/16/2010
POS Software	
Purchase software	8/1/2010
Build out software pages	8/5/2010
Trial run software	9/15/2010
Test Systems	
Add all staff to POS	10/7/2010
Network test and intra-mail install	9/1/2010
Add employees and test all bio-locks	9/15/2010
Add employees and network bio-time clock	9/15/2010
Test patient database	9/21/2010
Test phone system	9/21/2010
Test security system	8/15/10 & daily
Test sound system	9/7/2010
Test radio system	7/16/2010
Test credit card system	10/1/2010
Staffing	
Determine staffing needs	6/15/2010
Write job descriptions	6/20/2010
Place help wanted ads	6/26/10
Interview candidates	7/12/2010
Hire new employees - according to personnel plan	8/1/2010
Acquire employee registry identification cards	8/1/2010
Order employee background checks	8/1/2010
Order employee drug tests	8/1/2010
Employee training - as needed	8/15/2010

Exhibit M

Support Staff	
Determine necessary support staff	6/20/2010
Hire support staff	7/10/2010
Support staff training	7/10/2010
Set up HR infrastructure	7/15/2010
Set up files and records	7/15/2010
Kitchen	
Design layout	7/12/2010
Purchase equipment	7/15/2010
Install equipment	9/1/2010
Test recipes	11/1/2010
State Inspection	11/1/2010
Food Establishment License	7/10/2010
Purchase edible ingredients	10/1/2010
Make edibles, tinctures and lotions	11/15/2010